



In keeping with protocol, Prime Minister Margaret Thatcher of Britain left No. 10 Downing Street on Monday to go to Buckingham Palace to inform Queen Elizabeth of her decision to call a general election next month.

Thatcher Sets Vote For June Says Early Poll Is Best for Nation

By Peter Osnos
Washington Post Service
LONDON — Prime Minister Margaret Thatcher announced Monday that she is calling a general election for June 9, a move she believes will enhance her Conservative Party's political mandate and, she said, best serve "the national interest."

With nearly a year to go before an election had to be held, Mrs. Thatcher was persuaded by senior advisers that she should take advantage of her strong standing in public opinion polls and recently improving economic figures to assure the Conservatives the widest possible margin of victory.

"The country is ready for an election," she told her cabinet Monday morning. "Why delay?" Parliament is to be dissolved Friday, and a three-week campaign will get under way for the 650 seats the House of Commons will have following recent redistricting and enlargement.

Mrs. Thatcher had favored waiting until fall or even later, but weeks of mounting speculation among politicians and in the press about an earlier date created a momentum that the prime minister could not, and would not, stop.

"It was becoming intolerable and everyone was becoming obsessed with the date of an election," she said in a British Broadcasting Corp. radio interview, according to The Associated Press. "That was bad for Britain and it's bad for people who are thinking whether to invest here. We had to end that."

Choosing the earliest date that had been mentioned puts an immediate end to the uncertainty, she said, which is why the choice of June 9 is in the national interest.

The leader of the opposition Labor Party, Michael Foot, said Mrs. Thatcher had been "pushed, pulled and panicked" into an election out of fear that the longer she waited the less her chances of victory.

Spokesmen for the new alliance of Liberals and Social Democrats

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George P. Shultz arriving to attend the OECD meeting Monday in Paris.

U.S. Is Reported to Accept Israelis In Lebanon as Long as Syrians Stay

Compiled by Our Staff From Dispatches
PARIS — The United States has formally accepted Israel's position that it can keep its troops in Lebanon as long as Syrian forces remain there, according to a senior State Department official.

The official, who insisted on anonymity, said Sunday that the U.S. understanding of Israel's position is contained in a "side letter" — between Israel and the United States — to the Lebanese-Israeli troop withdrawal agreement arranged last Friday with the help of Secretary of State George P. Shultz.

There are separate letters of understanding between Israel and the United States and the "United States and Lebanon. The U.S. side letter makes clear, the official said, that the United States "understands Israel isn't going to leave until the Syrians do and until Israeli prisoners and bodies are returned."

Israel and Lebanon have agreed to the draft accord, but it has been rejected by Syria.

The Palestinians Liberation Organization added its own sharp rejection and condemnation of the agreement Monday, calling the accord a danger to the "Palestinian cause."

A statement issued in Damascus, Syria, by the PLO's executive committee indicated that the group intended to keep its estimated 6,000 to 8,000 remaining fighters in Lebanon until Arab states direct them to leave.

Using language similar to attacks on the accord in the state-controlled Syrian media, the PLO statement seemed carefully coordinated with the rejection in Saudi Arabia on Monday by Foreign Minister Abdul Halim Khaddam of Syria.

In an interview with Saudi reporters in Jeddah, Mr. Khaddam issued veiled threats to Israel that another military conflict between Israel and Syria would not be limited to Lebanon's territory and that casualties would be far higher than in the fighting of last summer.

"The massing of troops by Israel and Lebanon," he said, "will leave the door open to further aggression. The Israelis know that if there is a new war, this one will not be confined to a limited area [and that] damage and casualties will be even greater."

The Soviet Union asserted Monday that Israel was preparing another Middle East war and demanded the withdrawal of Israeli, U.S. and other foreign troops from Lebanon.

From Moscow, the news agency Tass said that Israel and the United States were "grossly violating" Lebanese territory, and demanded the "unconditional withdrawal" of Israeli troops as the "first and foremost" condition for bringing peace to Lebanon.

Meanwhile, on Monday, Mr. Shultz briefed the French and Italian foreign ministers and senior British representatives on his efforts to secure the withdrawal of foreign troops from Lebanon. U.S., French, Italian and British troops comprise the multinational peace-keeping force in Lebanon.

In Tel Aviv, Lieutenant General Moshe Levi, the Israeli chief of staff, cautioned Sunday that an outbreak of fighting with Syrian troops in Lebanon is possible following Syria's opposition to the U.S.-mediated agreement.

In Damascus on Sunday, Mr. Shultz urged President Hafez al-Assad to join in a troop withdrawal. But, the U.S. official said later, he found the Syrians "hardly enthusiastic," although they "didn't slam the door" on the possibility of withdrawing their troops, which have been in Lebanon since 1975.

From Syria, Mr. Shultz flew Sunday to Saudi Arabia, Israel and Lebanon to brief leaders of those countries on his talks with Mr. Assad, then went on to Paris. After his stop in Jeddah, he said he was encouraged by the Saudi reaction to the withdrawal agreement and to his efforts to bring about a Syrian pullout.

Prince Saud of Saudi Arabia said Syria had "announced constantly" that it would pull out when asked by the Lebanese and "there has not been any change."

His seeming optimism contrasted with Mr. Shultz's statements Saturday and Sunday that he believed, as a result of talks with Mr. Assad, that Syria would leave only after "very difficult negotiations" with Lebanon.

King Fahd of Saudi Arabia met with Mr. Assad on Monday in Riyadh, but no details of their meeting were available.

OECD Ministers Stress Linkage In Economies

By Carl Gewirtz
International Herald Tribune
PARIS — An acknowledgment that "powerful economic linkages" among countries and regions "imply a collective responsibility to shape policies" was made here Monday by senior government officials of the 24 most industrialized nations.

The officials, attending the annual ministerial meeting of the Organization for Economic Cooperation and Development, agreed on the importance of taking these linkages into account "as fully as possible" in formulating domestic economic policy.

But they made no commitments to alter current policies to assure that they comply with this goal.

The main topic on the first day of the ministers' two-day meeting was on interdependence, giving special attention to economic relations with East-bloc countries and the developing nations in the rest of the world.

Fears that the East-West discussion would produce a new confrontation between the United States and its allies were dispelled when Secretary of State George P. Shultz assured ministers that Washington's misgivings about East-bloc trade do not represent a policy of "economic warfare" against the Soviet Union.

But, he said, "We should apply to our economic relations with the East the same prudent commercial and financial criteria that we would apply to any other business venture."

He said that "the more pervasive problem we face today is not political interference restricting East-West trade but political interference maintaining it."

The OECD working paper analyzing the deepening of international economic linkages frankly stated that recognition of this interdependence will never mean that one country will sacrifice its own perceived interest just to be a good neighbor.

The paper said that discussing and coordinating policy adjustments to arrive at better outcomes than might be achieved by making policy in isolation is politically viable "only in those cases where every country's best policy acting alone adds up to a worse outcome for all countries than could be achieved by closer coordination."

A U.S. official, however, appeared to play down the importance of this principle. Martin S. Feldstein, chairman of the Council of Economic Advisors, said in an interview that interdependence "means something very different here [in Europe] than in the United States — mainly because the balance-of-payments constraint is a consideration here and isn't in the United States."

"I understand the argument that says, for example, Norway can't expand very fast without running into balance-of-payments constraints and therefore it's important that Norway talk to Germany and agree on concerted and coordinated expansion."

"For the United States, it doesn't make a lot of sense because we are not really constrained by the balance-of-payments problem. Even though we have a very large trade deficit, it's really not a factor that has influenced our decision on how fast to expand. We are prepared to accept a large trade deficit. The constraints really come from thinking about inflation and the sustainability of the recovery at home."

"So while Norway or the Scandinavian countries and Germany can usefully talk to each other about how if each one expanded the other one could expand more, the United States doesn't have a role in that dialogue because the fact that the rest of the OECD is expanding more will not cause us to change our goals."

The secretary's analytical paper, however, recalling the 1977-78 run on the dollar, noted that "even the largest OECD economy [the United States], with a relatively small share of trade in gross national product, is not immune from the pressures of international linkages."

Mr. Shultz said that East-West trade "would remain at a low level if not for subsidies or other forms of support."

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Danish Stand Reflects Unease on U.S. Missiles

By Peter Osnos
Washington Post Service
COPENHAGEN — Denmark's Conservative-led government, which prides itself on loyalty to the goals and strategy of the NATO alliance, has been consistently unable to muster popular or parliamentary support for deployment of U.S. medium-range nuclear missiles in Western Europe.

Despite the presence of Soviet submarines in Scandinavia's coastal waters, a broad coalition of political parties, backed by an anti-nuclear movement that spans generations and ideological beliefs, is forcing the government to accept a stance of opposition to the American weapons.

While Denmark's position is unlikely to affect the ultimate deployment decisions of Britain or West Germany, it reflects the widespread unease about the missiles that pervades Europe this spring.

Among the North Atlantic Treaty Organization's smaller members in northern Europe, there is the deep frustration of being unable to influence the outcome of arms negotiations and yet dependent for their security on what happens at the talks.

In Copenhagen, about 50,000 people marched in a single protest rally last month, while thousands more demonstrated elsewhere, an impressive turnout in a country of only about 5 million people. Public opinion polls throughout the alliance's northern tier show substantial opposition to the missiles on the grounds that they are neither necessary nor desirable.

Only in Denmark, however, because of a multiparty structure that allows the government to be outvoted in parliament — has public sentiment against the weapons been adopted as national policy. Last fall, parliament blocked further appropriations for construction of missile sites despite Denmark's pledge to pay a share of NATO's costs.

Later this month, senior government officials, opposition politicians and foreign diplomats expect the parliament to approve another anti-nuclear resolution. This one, as now envisioned, would order Foreign Minister Uffe Ellemann-Jensen to advise his NATO colleagues that Denmark believes all preparation for deployment should stop while negotiations with the Russians continue in Geneva.

Such a move, and the possibility that other countries — such as the Netherlands and Belgium — might follow suit, would undoubtedly complicate the superpower bargaining.

"Norway's center-right government has a majority of only one vote in parliament over a combination of forces opposed to the missiles. Reports from the Netherlands say the leading Christian Democratic Party is split over accepting the weapons while the Geneva talks continue, endangering the governing coalition there, too."

"The impression that things are fraying at the edges" of NATO's resolve, said one diplomat, would "obviously encourage the Soviets" to hold out.

The Danish government hopes to have the upcoming resolution watered down, possibly by threatening to resign over the issue. The political opposition, led by the Social Democratic Party, recognizes that if the government does call an election, debate would probably focus largely on the economy.

On that score, the Conservative People's Party would fare better with the voters than the Social Democrats.

But if the contest did turn out to be a referendum on NATO's nuclear policy, diplomats and politicians agree, the "government would get trounced." The result of the complex standoff on domestic anti-security policies is that an election before the end of the year is considered unlikely and Prime Minister Poul Jensen said he would not call one.

Mr. Jensen has previously said that the magazine has no desire to protect the "swindler," who has caused the magazine deep embarrassment and led to widespread demands for a thorough investigation.

The magazine has had extensive consultations with Mr. Heidemann, but has not disclosed what information, if any, it has uncovered on the source of the forgeries of the reason for them. Mr. Nannen said, however, that he is convinced that they are not the work of neo-Nazis.

Mr. Heidemann has not been available for comment since government experts announced Friday that the diaries were fakes. They reported that tests established that the diaries contained material that was not manufactured until after Hitler's suicide in 1945.

The entries, they said, contained comments that appeared to have come from a book on Hitler's speeches and other public comments published in 1964.

Mr. Heidemann, an avid collector of Nazi memorabilia, is now believed to be in Switzerland, where the diaries had been kept in a bank vault since they were found in the wreckage of a German transport plane that had crashed in what is now East Germany in the closing days of World War II.

Mr. Heidemann has insisted that the identity of the forger, officer retained secret as part of the deal under which he received the diaries.

Stern's publisher, Heinrich Heine, said in a statement that he was "probably not so much a forger as a collector, and that Mr. Heidemann, clearly, had two sets of hands: a swindler's and a collector's."

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TOMORROW
■ China's Tibet policy, a disaster for a long time, is beginning to change at last. INSIGHTS.

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■ Losses by smokestack industries kept U.S. corporate earnings for the first quarter at a fairly depressed level. Page 9.



TRIUMPHANT — Prime Minister Felipe Gonzalez puffed his usual cigar after his Socialist Party dominated the regional elections in Spain. Page 6.

Stern Files Fraud Charges Against Its 'Diaries' Reporter

By Harry Trimborn
Los Angeles Times Service
BONN — The West German magazine Stern on Monday accused a reporter, Gerd Heidemann, of fraud in claiming to have found Adolf Hitler's "secret diaries." Government experts have exposed the journals as "blatant" forgeries.

The accusation was contained in a civil suit the weekly filed with the Hamburg public prosecutor's office against the 51-year-old reporter, who has refused to disclose the identity of the source of the 62 volumes.

Mr. Heidemann, a member of Stern's editorial staff for 33 years, has maintained that the diaries came from a former Nazi officer after they were recovered from the wreck of a German transport plane that had crashed in what is now East Germany in the closing days of World War II.

Mr. Heidemann has insisted that the identity of the forger, officer retained secret as part of the deal under which he received the diaries.

Stern's publisher, Heinrich Heine, said in a statement that he was "probably not so much a forger as a collector, and that Mr. Heidemann, clearly, had two sets of hands: a swindler's and a collector's."

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Many of the photos showed Hitler playing with children or in relaxed, homey or carefree situations that was at odds with the ferocity of his 12-year regime and the devastation of the war.

The excerpts also presented Hitler in what was seen as a humane light in which, among other things, he supposedly expressed concern over the well-being of his mistress, Eva Braun.

The Stern staff statement said the magazine should not have permitted such "justifications" and it asked readers for "forgiveness."

Speculation remained that the forgeries were part of an East German plot to create dissension within West Germany and sow distrust between the country and its Western allies.

Hans Booms, head of the Federal Archives in Koblenz, one of the government agencies that uncovered evidence of forgery, said tests provided no clues on the source of the forgeries. He said, however, his feeling was that they had been done in West Germany.

A government spokesman denied reports that Chancellor Helmut Kohl had ordered intelligence services to investigate a possible link to East Germany. Mr. Nannen discounted remarks made by Mr. Heidemann's wife that a senior

East German official was involved in the forgeries.

In an interview published in the Sunday Times of London, Mrs. Heidemann responded to a reporter's demand to disclose the source of the diaries by saying, "Perhaps you can guess. . . . It's the highest possible over there." She nodded in agreement when asked if she meant East Germany.

The British newspaper offered a "sincere apology" to its readers for having published diary excerpts, but denied it had acted irresponsibly.

"Our mistake was to rely on other people's evidence and to be governed by their demands for urgency," the paper said.

The newspaper's parent firm, News International Co., owned by an Australian press magnate, Rupert Murdoch, is seeking to recover the \$200,000 it has already paid to Stern as part of the \$400,000 it agreed to pay for publishing rights in Britain and the Commonwealth.

Money Will Be Repaid
Stern has agreed to return money paid for the British and Commonwealth rights. News International said Monday night, Reuters reported from London, News International said in a statement that Stern had voluntarily undertaken to hand back the payment.

Mitterrand Proposes 'New Bretton Woods'

By Axel Krause
International Herald Tribune
PARIS — President François Mitterrand proposed Monday the calling of a "new Bretton Woods" conference as part of an effort by industrialized nations to promote economic recovery.

Addressing officials of 24 nations gathered for the annual ministerial meeting of the Organization for Economic Cooperation and Development at the Elysee Palace, Mr. Mitterrand said the conference should be aimed at reforming the world's monetary system, stabilizing exchange rates and developing technological and trade cooperation with developing countries.

"Nothing is possible for recovery in the North if it is not equally assured for the South," he said, referring to the industrialized countries and the developing world.

Commenting on his proposal for monetary reform, the French leader said "experience shows us that neither market forces nor the workings of institutions have succeeded in dominating the crisis."

The initial Bretton Woods, New Hampshire, conference, organized in July 1944 under United Nations auspices, was the first major monetary meeting aimed at postwar cooperation and the restructuring of the Western industrialized economies. It saw the creation of the International Monetary Fund.

Mr. Mitterrand, indicating that his proposals would be presented at the Williamsburg, Virginia, summit meeting of industrialized nations at the end of May, said that his primary goal was to "relaunch, stabilize and develop" what he termed "the organization of the reconstruction of an international economic order."

Although Mr. Mitterrand did not disclose details of his plan, he said he hoped it would be organized under auspices of the International Monetary Fund.

Diplomatic observers said that his emphasis on concerted governmental initiative could provoke intense discussions and differences with the United States and other allies over monetary questions.

Mr. Mitterrand renewed his government's urging of "coordinated interventions" in the exchange markets. The French leader also brought up a proposal he has made before to link the U.S. dollar, the Japanese yen and European currencies "to reinforce their stabilization."

Clearly referring to the U.S. reluctance to intervene except in disorderly monetary markets, Mr. Mitterrand said, "If the large countries only understand their obligation to intervene, this would facilitate recovery."

He added that the IMF should have its role strengthened by increasing its reserves so that "it can intervene in case a country gets into serious difficulty."

"The moment has come to think of a new Bretton Woods" conference, he said.

Mr. Mitterrand, in his address to the OECD officials, who included the U.S. secretary of state, George P. Shultz, and the secretary of the Treasury, Donald T. Regan, also urged that developing and developed countries participate in his cooperation plan.

Specifically, he suggested that "the North and the South" cooperate in stabilizing prices of raw materials and in reorganizing commodity markets to develop "a stricter discipline" in the play of market forces.

Earlier, Mr. Regan said that it was "premature" to start thinking about linking the dollar, the yen and the European Monetary System currencies. He said this would have to wait until their economies became more synchronized.

Emphasizing a main theme of his talk, Mr. Mitterrand said, "No recovery, no monetary system, no exchange system will be stabilized if the economic and financial situation of countries in the South are not relieved."

He said that the World Bank role should be strengthened and expanded to handle the needs of the poorest countries.

Pharmacy Students Demonstrate in Paris

PARIS — Striking pharmacy students and teachers demonstrated in Paris on Monday as Education Minister Alain Savary called in the rectors of law faculties to discuss hostility to the Socialist government's plans to gear the universities more closely to the needs of the economy.

Mr. Savary said last week that the National Assembly would start discussing the issue on May 24 despite two weeks of sometimes violent protest by students in Paris and other cities. Student leaders were due to meet with Mr. Savary on Tuesday to try to persuade him to delay the debate until autumn.

Western Nations Set Limits On Soviet Gas Dependence

By Axel Krause
International Herald Tribune

PARIS — In a compromise agreement to avert disputes among the Western allies over Soviet natural gas supplies, the International Energy Agency said Monday that its member governments would avoid "undue dependence" on any single source of natural gas in the future.

At the same time, it called on IEA members to pursue development of alternative gas sources, notably in the North Sea and in North America. The agreement was announced by William F. Birch, New Zealand's minister of energy, who chaired a two-day meeting of IEA energy ministers that ended in Paris Monday.

Senior U.S. diplomatic officials said that they viewed the accord as a significant diplomatic achievement for the Reagan administration, which had been seeking a commitment from its allies to avoid increasing their dependence on Soviet gas.

"The provisions and wording in the agreement, while low-key and not quantitative, mean the same thing — we all agree to limit our dependence on the Soviets, while actively pursuing other alternatives," a senior U.S. official said.

He and European officials added that France, although not an IEA member, was endorsing the agreement through its membership in the Organization for Economic Co-operation and Development, whose

annual, two-day ministerial meeting began Monday. Most of the key provisions in the IEA agreement were expected to be incorporated into the final OECD communiqué on Tuesday.

"The French are on board now, so our frictions over East-West trade have been greatly diminished," another U.S. official said. He added, "We feel that the gas agreement will also help the atmosphere" at the Williamsburg, Virginia, summit of seven industrialized countries May 28-30.

The official was referring to objections raised not only by France but by several other Western European governments regarding a U.S. effort to obtain agreement from the 21-nation IEA that countries limit their dependence on any single source of natural gas to 30 percent of total requirements.

Answering questions at a news conference, U.S. Energy Secretary Donald P. Hodel said that the administration had been "flexible all along" in pursuing an agreement to limit imports of Soviet gas, stating that "we recognized that for some countries 30 percent would just not be feasible."

What emerged, he said, was "a qualitative, rather than a quantitative" agreement, which also contained provisions to further monitoring and study of future gas supplies for Western Europe.

Announcing the agreement, which also referred to security considerations related to oil and the need to develop other energy alter-

naives, such as coal, Mr. Birch said that a Soviet plan for expanding its natural gas pipeline capacity was raised during the IEA meeting, but he emphasized it was discussed in a context of what he termed "other possibilities" for obtaining new gas supplies.

Mr. Birch noted that the IEA communiqué encouraged companies to undertake feasibility studies, "if appropriate in cooperation with member governments, to determine the economic, engineering, technical and financial factors relevant to possible imports from a variety of non-OECD sources." U.S. officials said that this would include study of a project being suggested by the Spanish government to bring African gas to Western Europe via a pipeline through the Strait of Gibraltar.

As other possible sources, the communiqué singled out North America and the Norwegian Troll field in the North Sea, which may become commercial in 1984. A senior Norwegian official said his government was delighted with the IEA statement. "It will help the negotiations to develop the Troll fields," he said.

Commenting on oil, IEA ministers expressed concern that the present sharply lower oil prices could slow down investments in development of energy-saving industries and renewed their call for "fulfillment of policies of oil substitution, energy conservation and energy research and development."

Pontiff Says the Church Erred on Galileo Ruling

The Associated Press

VATICAN CITY — Pope John Paul II, declaring there must be separation between science and the "essentials of faith," said Monday the Catholic Church erred in condemning Galileo 350 years ago.

"We cast our minds back to an age when there had developed between science and faith grave incomprehension, the result of misunderstandings or errors, which only humble and patient re-examination succeeded in gradually dispelling," the pope told a group of scientists.

He said the church's 17th century scientific position came from "a culturally influenced reading of the Bible." But the pope did not formally renounce the trial of Galileo, nor did he reverse the church's old position. The pope made his remarks in French to representatives of Science for Peace, nearly 200 scientists, including 33 Nobel laureates, and 22 cardinals attended the audience at the Sala Regia in the Apostolic Palace.

The inquisition condemned Galileo, who was born in 1564 and died 1642, to house arrest in 1633 for his assertion that the Earth was a planet revolving around the sun rather than the center of the universe. He was forced to renounce his beliefs.

The pontiff, who has been trying in recent years to improve church relations with scientists, said a commission he appointed in 1979 to study the Galileo trial still must report back to him. "We would like to say that the church's experience, during the Galileo affair and after it, has led to a more mature attitude and to a more accurate grasp of the authority proper to her," he added.

OECD Ministers Stress Linkage in Economies

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of political intervention that boosted it to artificially higher levels."

He said that the East's growing reliance on compensation deals and barter arrangements to pay for imports and the Eastern countries' attempts to "play off Western suppliers against each other" are practices that need to be monitored. He called on the OECD to do this.

The West German minister of foreign affairs, Hans-Dietrich Genscher, noting that "trade and economic co-operation make an important contribution to... constructive relations between East and West," said that "we want to continue to expand these relations" and to "play off Western suppliers against each other" are practices that need to be monitored. He called on the OECD to do this.

Ministers are agreed that trade and credit flows "should be governed by market considerations and should not be artificially supported."

On North-South relations, the ministers agreed to maintain and, as far as possible, to increase their efforts to ensure adequate funding from all contributors of the multilateral programs of financial and technical assistance.

The aim, the ministers agreed, is to ensure that the supply of finance to debtor countries in support of domestic adjustment policies is sufficient to maintain or restore adequate levels of imports.

In addition, they "reaffirmed their readiness to work, in a spirit of understanding and cooperation, with the developing countries and other participants at Unctad VI [UN Conference on Trade and Development] next month with the

aim of reaching a common understanding of current world economic problems."

The ministers recommended that developing countries diversify their sources of external finance by making "fuller use of the potential for direct investment" — encouraging foreign firms to build plants and equipment. But in the meantime, they were agreed, commercial banks will have to continue to play a major role in providing finance.

The U.S. Treasury secretary, Donald T. Regan, told the group that banks will have to increase their exposure to developing countries even though "some possible unpleasant developments" such as "second round" reschedulings "cannot be ruled out." The banks, he said, "must be aware of the dangers to them and to the world financial system should they attempt to reduce their exposure during the adjustment process currently under way."

The ministers said the best solution for the debt problem of these countries would be for the industrialized countries to expand their own rate of growth and thereby raise the level of imports from developing countries and at the same time reduce the trade barriers that impede such imports.

Uneasiness On Missiles

(Continued from Page 1)

ter Poul Schluter and his ministers will have no choice but to swallow their rebuffs in parliament on the missile issue.

Ironically, it was the Social Democrats in power in 1979 who approved NATO's two-track plan of negotiating with the Russians on arms reductions while proceeding with preparations for new missiles.

Kjeld Olesen, a former Social Democratic foreign minister, said that 1983 "should not be the decisive year" for deploying the weapons.

His party advocates a form of nuclear freeze, setting a new deadline for the talks and in the meantime suspending work on missile sites.

Mr. Olesen said the Russians should also cease deployment of their SS-20 missiles, adding that the Social Democrats and their supporters favor substantial reduction of the Soviet arsenal.

But, expressing a view that could well lead to tensions among NATO's European members, he said "we find it logical" that a total of 162 British and French nuclear weapons should be included in the bargaining.

Britain and France have adamantly opposed the figuring of their national nuclear forces into a package with U.S. medium-range weapons, as the Soviet leader Yuri V. Andropov has proposed.

To attract the broadest possible backing, the Danish peace movement has concentrated on the missile issue, sidestepping the matter of the country's continued membership in NATO and other defense issues, according to Otto Gieseemann, a professor at Copenhagen University.

The main point, said Mr. Gieseemann, is that "we don't believe that the security problems of Europe can be solved by adding more weapons."

Pravda Cites Andropov In New Role

First Mention as Chief Of Defense Council

Reuters

MOSCOW — Yuri V. Andropov, leader of the Soviet Union, was referred to Monday for the first time as chairman of the Soviet Defense Council, the body thought to have supreme control in the event of war.

Defense Minister Dmitri F. Ustinov made the reference in an article in Pravda marking the 38th anniversary of the victory in World War II.

"The Communist Party pays continual attention to the country's defense capabilities and to the fighting strength of the army and fleet," Marshal Ustinov wrote. "Due attention to dealing with these issues is given by the general secretary of the central committee and chairman of the Defense Council, comrade Yuri Andropov."

The council chairmanship was one of three top posts held by Mr. Andropov's predecessor, Leonid I. Brezhnev. But it is not clear whether the job automatically goes with being Communist Party leader.

Mr. Brezhnev was also head of state and took the title of president, but Mr. Andropov has not been given this office.

Marshal Ustinov's article contained praise of Mr. Andropov, commending his wartime role and underlining the armed forces' support for him.

The Defense Council is the effective successor to the Defense Council headed by Lenin during the civil war of the 1920s and the Defense Committee headed by Stalin from 1941-45.

When Mr. Andropov was elected to succeed Mr. Brezhnev as party leader last November there was wide speculation about whether he would be given the all-embracing power that Mr. Brezhnev enjoyed among Soviet leaders.

He has since been elected a member of the Presidium of the Supreme Soviet, the country's rubber-stamp parliament, although the post of president has remained vacant.

Thatcher Sets Election

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similarly sought to depict the prime minister's action as a "cut and run" maneuver.

The creation of the centrist alliance since the last election adds an unpredictable element to British politics.

The Social Democrats' standing has been weakening lately, but the Liberal Party, and in particular its leader, David Steel, has done well in some polls and parliamentary special elections. The alliance's long-shot hope is that it could hold the balance of power in the new Parliament.

The Conservatives currently have 334 seats in the 635-seat Parliament, compared with the Labor Party's 239 and 42 for the Liberal Social Democratic alliance. The remainder are held by small parties and the Speaker of the chamber, with two seats vacant.

Mrs. Thatcher goes into the campaign as a heavy favorite who could even lead her party to a landslide triumph if the main trends in national opinion surveys during the past year are sustained.

Since Britain's victory over Argentina in last year's Falklands war, Mrs. Thatcher has backed in a reputation for what Tory banners call "The Resolute Approach."

Both privately and from all accounts, Mrs. Thatcher is confident that she will be resoundingly re-elected.

The overriding issue in the campaign will be the Conservative economic policies.

Inflation is down to its lowest level in years, interest rates are also down and manufacturing output is starting to show recovery.

Unemployment, however, remains at more than three million, twice as high as when Mrs. Thatcher came to power in 1979, and there is no sign that it will start to go down any time soon.

Labor and the alliance both favor variations of a reflationary policy, increased public spending to create jobs and an incomes policy.

On foreign and security issues, the Labor Party is committed to a "nonnuclear" defense policy, the unilateral abolition of Britain's nuclear deterrent and the closing of all U.S. bases.

The alliance's "prime minister-designate" is the leader of the Social Democrats, Roy Jenkins, a former Labor minister. Because of Mr. Jenkins' generally lackluster performance since winning his party's leadership, the Liberal's Mr. Steel was chosen to guide the alliance's political handling of the election.

■ Labor Leadership Issue
The Labor Party would be running neck and neck with the Conservatives if the deputy leader, Denis Healey, was in charge instead of Mr. Foot, according to a poll published Monday, Reuters reported from London.

The poll, commissioned by British Broadcasting Corp. television, showed Labor trailing the Conservatives by 11 percentage points. But the parties would be level at 42 percent if Mr. Healey, a former finance minister who is on Labor's right wing, took over from Mr. Foot, the poll indicated.

WORLD BRIEFS

Kenya President Sees Coup Plot

NAIROBI (Reuters) — President Daniel Arap Moi of Kenya has accused foreign countries of plotting to overthrow him, according to the official Kenya News Agency.

Mr. Moi said at a rally Sunday in Kisumu, western Kenya, that the foreign states, which he did not identify, were training someone to take over as president, the agency said. It was the first mention by Mr. Moi of a plot against him since the army crushed a rising by junior Kenyan army on Aug. 1 last year.

Recently three cabinet ministers have accused politicians, without naming them, of plotting to topple the government. On May 1, Mr. Moi ordered his ministers to "stop washing their dirty linen in public" in an apparent reference to the infighting that the allegations of conspiracy are widely believed to reflect.

Bonn and Tripoli Swap Prisoners

BONN (UPI) — A spokesman for the West German government said Monday that for humanitarian reasons Bonn has exchanged a Libyan jailed for murder in West Germany for four West Germans imprisoned in Libya.

Jürgen Suedhoff, the spokesman, said West Germany has deported Bashir Elmhida, who was sentenced to life in prison in 1979 for killing the former financial attaché to the Libyan Embassy in Bonn. The four West Germans returned Sunday by Libya were identified as Manfred Koepsel, Bashir Dultz, Armin Oetke and Henning Mumm.

"It was decided," Mr. Suedhoff said, "that the health of the West Germans imprisoned was more important than completion of sentence by the Libyan." One of the West Germans, he added, was in poor physical condition.

Deaths Put at 35 in Istanbul Fire

ISTANBUL (AP) — Officials said Monday that the fire that raged through a central hotel on Saturday killed two Turks and 33 foreign tourists, mostly Greeks and Austrians. "This is the final toll. Two dead Turks were taken away by relatives and we have 33 bodies left in the morgue," said a spokesman for the coroner's office.

Initially, the death toll was reported at 42 by city and fire squad officials and was later reduced to 37. Most of the 60 people initially reported as wounded had minor injuries and were released from hospital, officials said. The officials said only 27 remained hospitalized Monday.

An official in charge of the cleanup said that only six of the 35 dead had been identified for certain, two of them Turks. "The victims were mostly foreign and all their papers and belongings burned. We can identify them only after their relatives arrive here and this will take several days," he said.

Nicaragua Says Invaders Defeated

MANAGUA (Reuters) — An invasion by Honduran-based rebels has been defeated after heavy fighting, Nicaraguan military sources said Monday.

They said the rightist rebels were pushed back across the border Sunday and that only small groups that split from the main insurgent force remained in the mountains of Nueva Segovia province. Nicaragua has said the rebels regrouped in Honduras after an invasion attempt failed last week and began a new thrust Friday.

In the United Nations Security Council on Monday, Foreign Minister Miguel d'Escoto Brockmann of Nicaragua accused the United States of waging an undeclared war against his country and called on the council to adopt measures to stop the aggression.

Court Summons Australian Editor

SYDNEY (Reuters) — An Australian newspaper editor has been summoned to appear in High Court on Tuesday because of stories based on leaked intelligence documents, legal sources said Monday.

The National Times alleged last week that the Security Intelligence Organization had spied on leading Australians and installed equipment able to monitor local telephone calls in Papua, New Guinea, and in Indonesia. Brian Toohy, the editor of the National Times said his story was based on tens of thousands of pages of classified material.

On Friday, the government won a temporary injunction ordering the return of the documents, which were also said to reveal Australian links with the American CIA. The sources said Mr. Toohy could be imprisoned for contempt if he failed to appear in court in Canberra, return the documents or reveal his source. The paper's owner, John Fairfax Ltd., said it would fight the action.

Swedish Navy Pressing Sub Hunt

SUNDSVALL, Sweden (Reuters) — The Swedish Navy, convinced that at least two foreign submarines are intruding in its waters off this northern port, is prepared for a long hunt to catch them, a military spokesman said Monday.

"We are not getting tired and time is on our side," he said as the hunt with ships and helicopters went into its 12th day. "We have all the resources we need," he said when asked if Swedish submarines were being used.

He declined to comment on press reports that a "mother" submarine trying to make contact with a trapped smaller submarine was the target of heavy depth charging by the navy on Saturday. The attack apparently produced no result. He also refused to comment on reports that a periscope seen by 20 witnesses in the wake of a Finnish ferry Saturday night belonged to a Swedish and not a foreign submarine.

Sorsa Sets Four-Year Program

HELSINKI (AP) — Prime Minister Kalevi Sorsa said Monday that the program of his fourth government has been geared to carry the four-party coalition through the full four-year parliamentary election period.

Meeting the press for the first time since taking office Friday, Mr. Sorsa said that "our aim is at full four years with the program where the emphasis is on economic recovery." He said that the first order of business was to slow down inflation now running at around 9 percent.

"Our next year's aim is 6 percent. If we get there it will improve our competitiveness, which is the key to ease unemployment and increase exports," he said. The government program came after two weeks of intensive negotiations. The four parties in the coalition — the Social Democrats, Center Party, Swedish People's Party and Rural Party — said that a crucial test lies ahead this summer when negotiations on next year's budget are scheduled to start.

Papal Assailant to Appeal Sentence

LISBON (Reuters) — The Spanish priest who jumped at Pope John Paul II with a bayonet is to appeal the prison sentence of 6½ years imposed on him last week in Portugal, judicial sources said Monday.

Juan Fernandez Krohn, 33, who has been associated with ultra-conservative factions, was found guilty of trying to kill the pope during a ceremony at the shrine of Fatima last May.

During two appearances in court, Father Fernandez Krohn said he meant to kill the pope to strike at the heart of the Catholic Church which he said had been betrayed by reforms. He protested the jurisdiction of the court that condemned him and was given a further six months for insulting the court. The appeal will be heard at Coimbra in central Portugal, the sources said.

U.S. Expels an Afghan Diplomat

WASHINGTON (AP) — The State Department ordered the expulsion Monday of an Afghan diplomat in retaliation for Afghanistan's decision to expel a U.S. envoy.

The department's deputy spokesman, Alan D. Romberg, said the Afghan Embassy had been informed that the presence in the United States of Masjed Hedayat, a second secretary, "is no longer acceptable to the U.S. government."

The decision followed Afghanistan's expulsion of Peter Graham, a U.S. diplomat who, it claimed, had been "perverting Afghan youth." In a newscast monitored in New Delhi on Sunday, Radio Kabul said Mr. Graham violated diplomatic regulations and Islamic and Afghan traditions by engaging in what it called immoral activity.

For the Record

LONDON (AP) — Viscount Dunsford, 46, was named Monday to be the new governor of Bermuda, succeeding Sir Richard Posnett, who resigned in March following allegations of financial irregularities.

TOKYO (Reuters) — A visiting East German opera singer, Nannette Pechke, 36, has defected and left Monday on a flight for West Germany, the Japanese Foreign Ministry said. She was on tour with the Berlin Opera.

U.S. Report Says Soviet Curbs Backfired

By Stuart Auerbach

Washington Post Service

WASHINGTON — American efforts to punish the Soviet Union by imposing trade sanctions may hurt the U.S. economy more than that of the Soviet Union, according to a report released Monday by the congressional Office of Technology Assessment.

The report concluded that embargoes aimed at punishing the Soviet Union for its actions in Afghanistan and Poland had had no major impact on the Soviet economy.

The United States embargoed grain exports to the Soviet Union in 1979 after its intervention in Afghanistan. In 1981, after the Soviet Union pressured Poland to curb the Solidarity trade union movement, the United States barred the export of oil and gas technology.

Rather than hurting the Soviet economy, the report said, the embargoes caused rifts in the Western alliance, gave the United States an image as an unreliable supplier, caused economic damage to companies trying to trade with the Soviet Union and added to U.S. farm surpluses as Moscow switched to other grain suppliers.

"The aftermath of U.S. attempts

to embargo grain and energy-equipment exports to the U.S.S.R. dramatically demonstrate the limitations on U.S. power to successfully conduct a trade-leverage policy," the authors of the study wrote.

The report comes as Congress is debating renewal of the Export Administration Act — under which the sanctions were applied — and the administration's proposals to strengthen its control over the flow of technology to the Soviet Union.

Beyond the effects of past embargo attempts, the study found that the Western allies place a far greater value on trade with the Soviet Union than does the United States. Therefore, the study said, efforts to force embargoes on West Europeans are doomed to fail, especially if it appears that the United States is trying to impose its foreign policy views.

"Unless we get the cooperation of our major trading allies, our own embargoes are likely to be ineffective," said the study director, Peter Sharfman.

The report also said that U.S. businesses may run into increased trouble in selling to West Europeans because of concern about the possible interruption of future transactions. The study said that

this "chilling effect... may lead to long-term adverse impacts on East-West trade, far more important to the U.S. economy than trade with the Soviet Union."

The report also questioned the impact of increased controls in preventing the Soviet Union from acquiring Western technology to boost its military might, although the study said that export curbs can make it more difficult and more expensive for Moscow to do so.

The report cited intelligence testimony that the Soviet Union acquires 70 percent of the Western technology it needs for military purposes through illegal means. "It is most improbable that even drastic changes in U.S. export control policy could alter the fact that the U.S.S.R. benefits militarily from Western technology," the study said.

The issue has prompted a major debate in the government between hard-liners, who believe that keeping technology from the Soviet Union is of paramount importance, and those who argue that U.S. security is better served by emphasizing exports to boost economic growth.

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CÔTE D'AZUR - Antibes

U.S. Bishops' Stand Against Nuclear Arms Worries Sub Workers

New York Times Service
PRESTON, Conn. — The people of St. Catherine's Roman Catholic Church here had something special to discuss after Mass on Sunday. Many build submarines that carry nuclear weapons. And Sunday they talked of those weapons and of the U.S. Roman Catholic bishops' stand against them.

Until recent months, many people here say, the moral questions about working on nuclear weapons systems had not seemed pressing. But for many, and especially those Roman Catholics who build Trident submarines at the Electric Boat shipyard in nearby Groton, that all changed last week, with the overwhelming passage of the bishops' pastoral letter denouncing nuclear war.

To bring the matter even closer to home, Daniel P. Reilly, the bishop of the diocese of Norwich, in which the town of Preston falls, was one of the drafters of the letter. The Reverend Joseph Finnerty, the pastor of St. Catherine's, said: "It took real courage for the bishops to even attempt this letter."

A part of the letter, addressed directly to defense workers, suggested that anyone who studies the letter's teachings might be led to quit his or her job.

"We are the first generation since Genesis with the power to virtually destroy God's creation," the letter said. "We cannot remain silent in the face of such danger."

After the Mass at St. Catherine's, where about 75 percent of the congregation are Electric Boat or navy workers and their families, about a dozen parishioners talked in the church meeting hall.

Boyd W. Cohenour, who retired from the navy after many tours aboard Polaris submarines that carry nuclear missiles, said the issues raised in the letter reminded him of an old fear.

"Every time there was an emergency drill aboard ship, I was scared to death," he said. "I was thinking: Is this the real thing? If we have to fire one of those things, what will we go back home to? Total annihilation?"

But some were skeptical of the letter's effectiveness. David A. Swerowski, an engineer at Electric Boat, said: "Unfortunately, our main enemy is an atheist country."

"I don't think they care what God's words are. They've got to listen to something that's meaningful to them — our deterrent force," Father Finnerty said. "I wish you'd said that a lot earlier."

have asked for counseling about the morality of their jobs, but no one has quit, he said.

The Norwich diocese is preparing for that possibility, however. Bishop Reilly said the diocese will provide financial assistance and counseling to anyone who leaves a defense job as a matter of conscience.

But the letter, he added, did not say anything more than that anyone in defense work should examine their conscience and make their own decision.

"Will it be a mortal sin to work on the Trident?" Father Reilly said. "We don't say that. Sin comes in when you act against your conscience. This letter, we hope, will be used by people to help form their consciences."

At Our Lady of Lourdes-Roman Catholic Church in Gales Ferry, Conn., a few miles south of Preston, another group of parishioners, including defense workers, also discussed the pastoral letter. Some said the letter marked a somewhat frightening stage in their life as Catholics.

Janet C. Didier, the wife of a former submarine officer, said: "I remember rolling in foil in World War II."

"The war was good, and just. But some years afterward, everything started to change. I first felt it when my husband took me on a submarine and I felt like I was walking into a bullet. I began to wonder: Is war the Christian way to solve our problems?"

The Reverend Robert Washburn, of Our Lady of Lourdes, belongs to the Justice and Peace Commission of the Norwich diocese, which will hold workshops for clergy and laity on the letter's meaning.

Father Washburn said: "Whenever I bring up the topic on a Sunday morning, I get a very few people who are upset. Some people agree wholeheartedly. Many have said to me, 'Say, I wish you'd said that a lot earlier.'"

East Bloc Shuns Disarmament Sessions

Reuters
BERLIN — A six-day European nuclear disarmament conference opened Monday at the International Congress Center in West Berlin, complete with acrobats, a peace dove and a boycott by East European peace groups.

Organizers said the 3,000 expected delegates wanted to coordinate their peace campaigns and warn

the world of the dangers of the nuclear arms race.

But official East European peace movements failed to reply to their invitations and no official campaigns were allowed by their governments to attend, organizers said.

Among those expected to take part are Petra Kelly, a Greens par-

U.S. Agency Gets Rules on Suicide Threats

Social Security Urged to Be Sensitive in Cutting Off Benefits

By Robert Pear
New York Times Service

WASHINGTON — The Reagan administration has devised new procedures to deal with people who threaten to kill themselves after being told they may lose their Social Security disability benefits.

Paul B. Simmons, deputy commissioner of Social Security, said the rules would soon be sent to Social Security offices around the country and to state agencies that operate the program of disability payments and retirement benefits under federal policies.

The detailed procedures say that federal and state employees should take special care in handling suicide threats, should refer the claimant to a counseling service or a suicide hot line and should consider suicidal tendencies in evaluating the severity of a disability.

However, the directive says suicidal behavior does not necessarily mean a person has a mental disability qualifying him for benefits.

The seven-page directive represents the first acknowledgment by the Social Security Administration of a significant problem with

suicidal behavior related to the cutoff of disability benefits. In the past, officials have minimized reports of such behavior, saying they were based on anecdotal evidence.

There is no official count of the suicides that may have occurred after benefits were ended, but government psychiatrists and disability examiners said they were aware of many threats.

The new rules say that when a person threatens suicide, "it is important that he or she be treated with the utmost sensitivity, patience, compassion and understanding in all telephone or personal contacts."

The directive says that each state's disability agency should designate one official to compile and review all information about suicides and suicide threats. The state agency is required to inform the local Social Security office before ending or denying benefits to any person where "a high degree of suicidal-homicidal potential exists."

Mr. Simmons said the policy was one of many steps being taken to make the disability program more humane. Under the pro-

gram, the government last year paid \$18 billion in benefits to 2.6 million disabled workers and 1.4 million of their dependents. The average payment to a disabled worker was \$441 a month.

In the last two years, the government has removed 340,000 beneficiaries from the rolls after they were found not to be disabled at the initial stage of review.

Critics have assailed the review process, saying that many people with obvious mental or physical defects lost their benefits. Democrats have cited the terminations as evidence of the "unfairness" of President Ronald Reagan's policies.

A recent report by the General Accounting Office, an investigative arm of Congress, said the Social Security Administration, because of an "overly restrictive interpretation" of the eligibility criteria, had improperly cut off benefits for many people with "severe mental impairments."

Mr. Simmons rejected many findings in the report but accepted some of the recommendations, saying, "Improvements are needed."

CIA Denies Fabricating Anti-Hanoi Evidence

By Michael Getler
Washington Post Service

WASHINGTON — The Central Intelligence Agency is denying allegations made a year ago by a former CIA officer that the agency fabricated evidence in the early 1960s to help prove that the war in South Vietnam was being fueled by North Vietnam, and to help set the stage for heavy U.S. involvement.

The allegations were made by Philip Liechty, a former case officer in the agency's top-secret Directorate for Operations who spent 15 years with the CIA. The accusations were reported in The Washington Post on March 20, 1982.

A CIA spokesman was asked then for comment on Mr. Liechty's claims and said only that "it is not our policy to comment on such allegations."

Mr. Liechty said that early in his CIA career he inadvertently came upon agency documents of proposed operating plans to fabricate evidence of outside support for the

Viet Cong guerrillas of South Vietnam.

One such plan, he said, involved an elaborate operation to print anti-American Vietnamese postage stamps and have them placed on letters that would find their way into the European and Western press.

Another plan involved loading captured communist-bloc arms collected by the CIA onto a coastal boat in Vietnam and then staging a firefight in which the arms-carrying boat would be sunk and displayed to the press.

At the time of the interview last year, Mr. Liechty said that he was obviously unable to produce the documents he said had been in the files about 17 years earlier or several sheets of postage stamps that he said he had seen in the file and held in his hands.

A CIA spokesman, Dale Peterson, now says that the agency has made a thorough search of its documents and interviewed other officials and that there "is no evidence

that CIA ever fabricated that stamp. I say this with 99 percent confidence because there is no trace of this being done."

The CIA, he added, also "did not fabricate that stamp for domestic U.S. consumption."

A copy of the Vietnamese stamp that Mr. Liechty described appeared on the cover of Life magazine on Feb. 26, 1965, two days before the Johnson administration published its white paper on the war called "Aggression from the North."

Mr. Peterson said the CIA had nothing to do with that magazine cover.

Asked if the CIA used the postage stamps and distributed mail with them, even if the agency did not print the stamps, Mr. Peterson said:

"We are not saying we never used that. ... When talking about use of the stamps and other things, right or wrong, we are not commenting. That is just a matter of policy. We can't comment if we got them in Vietnam and used them for something."

He also said there was "no evidence" to support Mr. Liechty's claim about the arms-laden boat. "We are talking about 1965," he said, "and that was a long time ago. But we interviewed people

who should have known and came up with zero on that."

Asked about the CIA denials, Mr. Liechty said he sticks to his original claims.

"It is possible," he said, "that they could have used either forgeries or the original Vietnamese stamps. You just really couldn't prove which stamps actually went on the envelopes."

"But they did have the stamps; they were there, and they were using them in the way I said. There is no question whatsoever that they did it. They had huge quantities in sealed, cellophane envelopes. My recollection was that they were printing them and that the documents that I read discussed the options of printing them."

Interest in Mr. Liechty's initial interview was revived recently with publication of a book entitled "Deadly Deceits." It was written by another former CIA agent, Ralph W. McGeehee, who repeats Mr. Liechty's claims.

French By-Election Captured by Socialist

Reuters

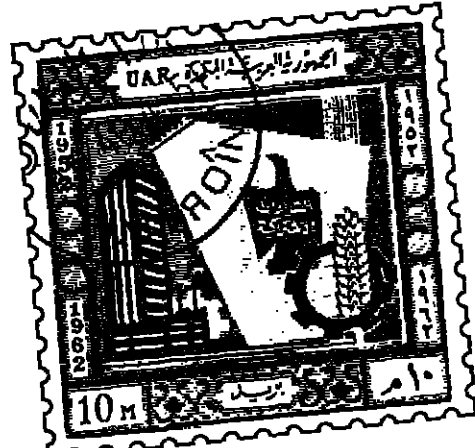
PARIS — Louis Le Penec, who quit the French government in March, has won a parliamentary by-election in Brittany by taking 54.45 percent of the vote in the first round.

Political commentators said his victory, in the department of Finistère, was a welcome boost to the Socialist Party following setbacks in the recent municipal elections.

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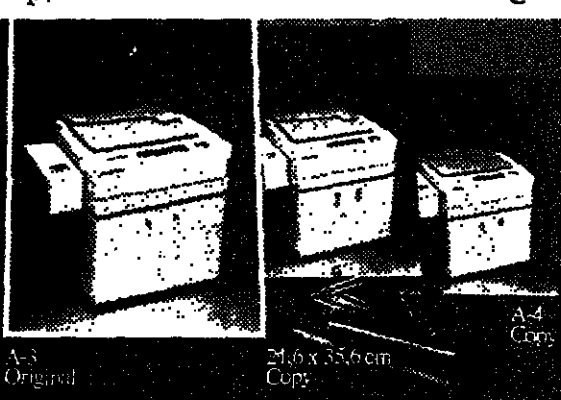
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Herald Tribune

Published With The New York Times and The Washington Post

All Stand Together

Will the leaders of the industrial democracies meet at the end of the month as the chiefs of seven autonomous powers or will they begin to address common problems by truly coordinating their power? The first pass was not encouraging.

At a recent pre-summit session in Washington, the finance ministers of the seven nations agreed to undertake "coordinated intervention" in foreign exchange markets whenever that seemed helpful. Within an hour of their communiqué, Treasury Secretary Donald Regan shot it down. He glibly dismissed coordination as nothing more than a transatlantic phone call or two; his administration's policy will still be no intervention except in rare cases of market "disorder."

The mechanics of exchange intervention are only slightly less complicated than the ideological passions it arouses. But it is worth understanding. The aim is to stabilize currency values by having governments buy or sell their own and other currencies. Buying boosts demand and tends to raise the value; selling does the opposite. This technique cannot ultimately save a weak currency or break a strong one, but it can have short-term value. It is obviously more effective when practiced in concert with other governments, rather than unilaterally. So concluded the finance ministers, including Mr. Regan before he reneged.

The reason for coordinated intervention, however, is anything but technical. It is to relieve the damage done when uncoordinated but dependent economies fluctuate in unwholesome ways. The dollar is strong right now because America's interest rates are obstinately high and because recession and other uncertainties make the United States the safe-

haven. But the resulting flow of money to the United States creates serious problems. It drains capital from others, provoking some — particularly France — to feel neglected and enraged. The relatively high value of the dollar can also hurt Americans: it raises the price of American exports and tempts Americans into buying too many cheaper imports. That, in turn, raises pressure for job protection against foreign competition.

The interdependencies of the major economies are obvious. The United States should not act alone, or as if it were alone; nor should France.

The annual summit meetings have no value if they cannot recognize that the present economic strains are global. Recovery from worldwide recession is still uncertain, the allure of protectionism is strong everywhere, and Third World nations — unrepresented at the Williamsburg conference — are being crushed by debt.

Writing in the current issue of Foreign Affairs, Albert Bressand, director of the French Institute of International Relations, laments: "Conflicting perceptions, diverging priorities and lack of any sense of direction suggest that the concept of world interdependence has been lost in a policy and intellectual vacuum. We are still striving to overcome an international economic crisis through national economic policies. What is not being done at the summit is not being done elsewhere either. The world economy offers great opportunities for common prosperity but, left to itself, it can also be the breeding ground for uncontrollable contradictions and nationalism."

It is no time for acting unilaterally.

— THE NEW YORK TIMES.

American Technology

The disparity is troubling: American science remains immensely productive, but American industry is frequently slow to apply it. Foreign producers move faster and invade American markets with products based on technology developed in the United States.

These transfers of knowledge take a great variety of forms, but the successful foreign competitors are commonly Japanese. Has something gone wrong in the United States?

The explanations are to be found in American industrial practices, not Japanese. The current anxious attention to foreign competition is the beginning of the remedy. In the quarter-century of great success following World War II, the American mass production industries learned habits that more recently have served them badly. They learned to get very high productivity through long production runs, with minimal model changes. They were working with standard products in which improvements were typically incremental. Development work became increasingly separated from manufacturing. A steady flow of profit-seeking engineers and every kind of education. Keep it in mind that the United States' basic economic resource is its highly educated labor force. Next, keep American markets open to foreign competition. It is only under that pressure that American producers will do the job of which they are capable. Finally, keep the flow of scientific and technical knowledge free and open. Any attempt to lock it up and hide it, except in the narrow area of military security, will damage Americans more than anyone else because Americans are better equipped to make full use of such knowledge.

— THE WASHINGTON POST.

Other Opinion

Mideast Strategies

Secretary George Shultz is vindicated as a tactician, but his reputation as a strategist in Middle East politics is still to be won or lost. In the perspective of history, the achievement of negotiating an agreement between Israel and Lebanon will count for little if that agreement is never implemented.

Israel has made it quite clear that she will implement the agreement only if Syria and the Palestine Liberation Organization agree to withdraw their forces simultaneously with hers. But neither Syria nor the PLO is party to the agreement and Syria has already condemned it.

However desirable it may be from an Arab and perhaps even from an international point of view that Israel should not be rewarded for her invasion of Lebanon last year, to suppose that she would withdraw unconditionally was never realistic. The agreement she has now accepted comes much closer to that than most people would have imagined possible; and many Israelis, including some ministers who voted for it, are already saying that it falls far short of justifying the losses that Israel has incurred.

From Lebanon's point of view, it is the best

agreement that could reasonably have been hoped for. But Mr. Shultz's reputation as a strategist will depend not only on the fate of Lebanon, but on his success in moving from an agreement on Lebanon toward an overall settlement of the Arab-Israeli conflict.

— The Times (London).

The Lord Mayors' Visit

The recent visit to Boston of the Lord Mayors of Dublin and Belfast highlights a quiet, persistent effort to find a cooperative solution to the difficulties of Northern Ireland.

Tom Patton of Belfast urged his audiences to visit Northern Ireland as tourists and to invest in it as businessmen. He stressed that the violence, deplorable though it is, is concentrated almost totally on members of the British and Irish security forces. Significantly, Patton's message was seconded by Dan Browne of Dublin.

Americans of Irish ancestry need to support not the gunmen and their agents but those who extend their hands to heal and to help. The Lord Mayors have shown the way.

— The Boston Globe.

FROM OUR MAY 10 PAGES, 75 AND 50 YEARS AGO

1908: The Fighting in Korea

TOKYO — Details of the new military policy in Korea are announced. Reinforcements are now being forwarded to make the Japanese strength in Korea two full divisions. The exact number of armed Koreans is not ascertainable, but it is estimated to be several thousands. The insurrection is declared to have lost its political character, and its insurgents will henceforth be regarded as bandits. Under the new order the dissipation of the roving bands calling themselves the "righteous army" becomes strictly a military problem. The army will not be hampered by the civil administration. The Japanese troops will remain permanently in the field if needed.

1933: A 'Turnaround' in U.S.?

NEW YORK — President Franklin Roosevelt's actions, outlined in his radio speech Sunday night, in which he gave an account of his direction of the government and his appeal two nights previously not to permit wages to lag behind the cost of living, have had an electrifying effect, and wage increases for 50,000 employees in 25 states have been granted, according to a survey. Besides increased wages, reports show an increase in the production of coal, lumber, steel, motor cars and electric power. Henry Ford proclaimed his faith in "a new deal" in an open letter in which he says: "We have made a complete turnaround, and at last America's face is toward the future."

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Congress's Hand in Foreign Policy: Is It Too Heavy?

By James Ceaser

CHARLOTTESVILLE, Virginia — A president today must speak loudly because he carries a small stick. President Ronald Reagan's dramatic appearance before Congress to appeal for support for his Central American policy had all the trappings of power: ceremony, applause and media attention. But all this pomp could not obscure the deeper reality that the president stood before Congress, hat in hand, begging for the right to be able to direct his own foreign policy.

There are two possible explanations for the president's tenuous position in foreign affairs. Either he has squandered, through blunders and incompetence, a power that was his, or he never had that power.

Critics of the president are fond of charging that the administration has never articulated a consistent or reasonable policy. But Mr. Reagan plainly faces restrictions that are not all of his own making.

In recent times, a lack of flexibility for the executive in foreign affairs has become the norm, not the exception. It is rooted in a growing number of legal restrictions, and also in the belief held by key members of Congress that the province of the conduct of foreign affairs is as much theirs as it is the president's.

Beginning with the Vietnam-Watergate era, the United States has been moving closer to a system of co-determination of the substance of

foreign policy. The president retains the power to initiate, but his initiatives are so hemmed in by congressional checks that his control of the process is uncertain.

Proof of this can be seen in many of the presidential "victories" of recent times — such as the sale of AWACS planes to Saudi Arabia, or Mr. Reagan's efforts to continue military aid to El Salvador. In these instances and others in recent administrations, presidential successes consisted of little more than the staving off of embarrassing and debilitating setbacks.

In areas such as arms sales and military assistance, the laws have been written so that the burden of proof for carrying out a policy has been shifted. Whereas in the past Congress had to assume the initiative in order to block a presidential action, now many presidential policies are subject to routine and automatic review by Congress.

Along with these legal restrictions, a new attitude about the making of foreign policy has emerged in Congress. Members of Congress are no longer reluctant to assert an active role in formulating policies by attaching detailed provisions to authorization or appropriation legislation — such as the Boland Amendment, which denies the use of U.S. funds to overthrow the government of Nicaragua.

The new role of Congress in foreign affairs emerged initially in reaction to the Vietnam War, and reflected a conscious desire to correct what was considered to be a dangerous concentration of power in the executive. Since then, however, Congress has moved further to limit executive discretion. The subsequent erosion of the balance between the president and Congress, but of the desire of different groups in Congress to achieve specific policy objectives, has led to a policy that is based on a prudent assessment of calculated risks.

Solutions are difficult to come by. Modern presidents, fearful of angering the very persons whom they must flatter to win support for their policies, are reluctant to challenge the institutional prerogatives of Congress. And radical solutions that would eliminate the separation of powers are not realistic.

Congress does have a major role to play in foreign affairs. The problem is to ask whether Congress has not unconsciously allowed itself to assume responsibilities that go beyond its authority (or capacity) to act effectively.

The writer is an associate professor of government at the University of Virginia. He contributed this article to the Los Angeles Times.

Signaling Discontent To the South Africans

By Anthony Lewis

BOSTON — What should the United States do to try to change the system of racial discrimination in South Africa? That issue of politics and conscience is boiling up again, on campuses, in state houses, in Congress. For the Reagan administration, it is awkward news.

The Reagan policy has been to encourage change in South Africa by polite and private dialogue with its white rulers. The argument was that the Carter administration tried public lecturing and it did not work. The implicit message to Pretoria was: You will never have a more understanding U.S. government, so now is the time to begin moving away from apartheid — slowly, perhaps, but genuinely.

For the better part of the last two years the American debate about South Africa was relatively united. In

effect, the Reagan policy was being given time to work. If the issue is heating up again now, the reason is not hard to guess: Americans who watch South Africa see no significant measures to improve the legal and political status of the black majority. To the contrary, we see fresh examples of abuse and discrimination.

Pretoria has relentlessly pursued its policy of physically removing all blacks from areas of South Africa reserved by law for whites — 87 percent of the country. Harmless little agricultural communities of blacks who have owned the land for generations are still being told they must leave because they are "black spots" in a white land. The leader of one such community was shot and killed by a white constable last month.

The government is also pressing on with its creation of black "homelands," so-called independent states that no one but South Africa recognizes and that are impoverished dumping grounds for blacks. It is in these pathetic places, marked by hunger and disease, that black South Africans are supposed to find their political rights.

Anyone who visits South Africa knows that the reality is different from the political theory. There is a feeling of new black economic power and, with it, political consciousness. The government has allowed blacks to operate and they are making some headway. Expensive restaurants and hotels are now allowed to desegregate.

Yet even these changes in the pattern of discrimination are not allowed to proceed consistently. The government, which has quietly let blacks enter universities labeled white by law, now proposes to limit their numbers by quotas. The Pretoria City Council has voted to exclude blacks from 14 parks that were desegregated in 1974. Leaders of black unions have been harassed, detained, even tortured.

Moreover, Prime Minister P.W. Botha's major declared program for constitutional reform has run into heavy resistance. His plan is to set up separate parliamentary chambers for colored people, as those of mixed race are called, and for Asians.

Blacks would still be excluded from national politics. But even that limited change has aroused fierce opposition within the Afrikaner community. The dominant National Party faces dangerous challenges from the right in by-elections this week.

No American should have the illusion that there is some easy way for the United States to force change in South Africa. Many Americans will still want to do what they can, if only to register their beliefs.

Legislation just approved by the House Foreign Affairs Committee reflects that attitude. It would restrict U.S. bank loans to the South African government, but the sale of gold Kruggerands in the United States and put official sanctions behind the voluntary "Sullivan Code" for American companies that do business in South Africa.

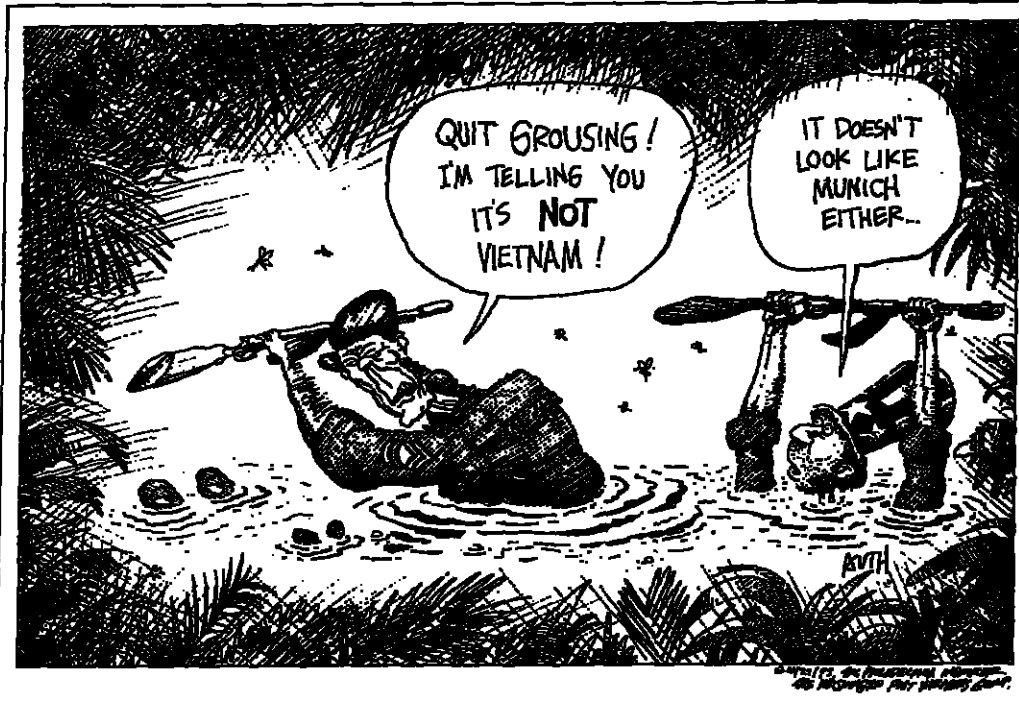
Companies agreeing to the code promise not to discriminate among employees on grounds of race. The Reagan administration strongly objected to putting the force of law behind it. But the author of the code, the Rev. Leon Sullivan, favors the amendment because many U.S. companies in South Africa will not join voluntarily or do not comply.

The proposal to curb loans by U.S. banks reflects the fact that Pretoria has sharply increased its borrowing in the United States, to a total of \$623 million last year. It has also relied on support from the International Monetary Fund, and a bill just approved by a House Banking subcommittee would instruct the United States to oppose IMF loans to South Africa.

The U.S. ambassador to Pretoria, Herman Nickel, said in a speech a few months ago that the closeness of the American relationship to South Africa "depends heavily on the degree of change and the evidence of momentum which South Africa can produce." Lacking such evidence, we Americans should at least send some signals of discontent.

The New York Times.

Letters intended for publication should be addressed to the editor and contain the writer's signature, name and address. Brief letters receive priority, and letters may be abridged. We cannot acknowledge all letters, but we value the views of the readers who submit them.



Japanese Weary of Junior-Partner Treatment

By Hobart Rowen

WASHINGTON — "At international meetings," a Japanese official recently told me, "we feel that the Europeans don't really want to talk to us. Oh sure, they make the pro forma gestures — they have to. But the Europeans really only want to talk to the Americans."

This sums up a bitter feeling among many Japanese, who feel that despite their country's tremendous postwar economic surge and new willingness to accept a share of international burdens, Europeans treat them as second-class citizens.

They have not forgotten that at the 1979 economic summit in Tokyo, they were excluded from two important meetings. One was a breakfast for the so-called "Gaulle Group" — leaders of the United States, France, Britain and West Germany who had met in the Caribbean earlier that year. The other was a secret meeting of the French, West German and American energy ministers to agree on oil-import ceilings.

"We felt isolated," recalled a Japanese minister who was a participant at the Tokyo summit. "We didn't think it was right to hold such meetings without Japanese participation in the Japanese capital."

There is more involved here than diplomatic niceties. There are major trade problems between Europe and Japan, accentuated by serious recession in Europe. The European response to Japanese competition has been to close doors where they can.

To combat penetration of their markets by Japanese consumer electronic items, European countries have been seeking to form strong intra-European conglomerates, only to run into nationalist objections from major countries in the European Community.

A projected alliance between the French state-owned Thomson-Brandt Co. and the Japanese Victor Co. to make video-tape recorders in France was assailed by Philips, the huge Dutch company. Philips complained that the accord was a blow to the European Community, even though European content will reach 75 percent and provide desperately needed jobs in France. And so it goes.

An unusually frank assessment of how Japan feels about its relationship with its principal partners was given recently by Nobuhiko Ushiba, a career diplomat who has served as

ambassador to both the United States and Canada.

He cited history: After World War II, Japan was not accepted as part of the developed world, but treated as a defeated, developing country. It was not until the late 1950s and early 1960s that the United States, over some internal objections in Japan, drew the country into the major international organizations.

But even after Japan was included in the General Agreement on Tariffs and Trade, European nations refused for a long time to grant most-favored-nation treatment to Japan. Nonetheless, Japan grew strong economically. The private Trilateral Commission in 1973, and the series of seven-nation summits starting in 1975, certified Japan as a developed nation, fully engaged in the international process.

Mr. Ushiba, however, points out that it is a long way from equality on paper to actual assimilation in the postwar international economic system. He said, bluntly, that he was not sure Japan ever would be accepted as a full partner.

"It is from Europe that we now

find the most serious attacks," Mr. Ushiba said.

"The Common Market is charging that Japan's trading system is so strange, so unique, that the international GATT rules cannot be applied. Japan, they say, disproportionately benefits from tariff reductions and most-favored-nation treatment."

Without the perception of a common security relationship, such as at least in theory binds Europe and the United States, Mr. Ushiba said, "Japan appears to Europe to be little more than an economic threat."

How can these problems be solved? It will not be easy, so long as the world economy stagnates and unemployment grows. Japan and the United States have left Europe far behind in the development and marketing of technology. Like Europe and America, Japan succumbs to internal protectionist pressures from farm lobbies and certain industries.

But Prime Minister Yasuhiro Nakasone, a politician of some skill, plans to try to break out of the junior-partner relationship at the Williamsburg summit. One can only wish him luck.

The Washington Post.

The Bishops Hang Tough; Now the Hard Part

By Colman McCarthy

WASHINGTON — In its holy wars of polemics against the Roman Catholic bishops, the right suffered heavy losses. In Chicago, the bishops voted 238-9 for a final pastoral letter that echoed the memorable "No more war" cry of Pope Paul VI in 1965. "The whole world," the bishops said, "must summon the moral courage and technical means to say 'no' to an arms race which robs the poor and the vulnerable."

For a time, it appeared as if the bishops had lost the moral nerve to challenge the Reagan administration's policies of preparedness for a nuclear war. In November, the bishops issued a strong second draft of their letter. By April and a third draft, they were backsliding. They had gone from advocating a "halt" to nuclear weapons to seeking a "cease," which was meaningless. They quoted pieties of Defense Secretary Caspar Weinberger and William Clark, the national security adviser.

The weak third draft drew hosannas from the right-wing choir. The National Review, which had been routinely dismissing the "born again bishops" as appeasers, hailed the third draft on the eve of the Chicago meeting as a "substantial improvement" over the second. Michael Novak of the American Enterprise Institute, who had been scolding "extremist" bishops for their "hubris" and who said the second draft "moves the world very close to war," found the third draft "more attuned to conflicting realities than earlier drafts."

In Chicago, the bishops showed they had nerve after all. They rediscovered the word "halt." They clerked Mr. Weinberger and Mr. Clark to footnotes. They took the Reagan administration to task for someone else to bleed the nukes. As peace-makers, the bishops stayed the course.

The right can be expected now to recycle its bitter attacks. The hissing is likely to be sharper, especially since it appeared as though the bishops would heed the right and behave as proper chaplains to the Reagan court.

An example of the bitterness was

on display in an editorial in late April in the Richmond News Leader. Bishop Walter Sullivan of Richmond, an articulate peace-movement leader whose diocese is heavily populated with military personnel, gave the newspaper heartburn for explaining to his flock that it had the choice of following the Christian nonviolent way to peace or the government's way, but not both.

"Sullivan and his type," muttered the editorial, "are stripping away the moral basis for defense of the United States." Any close reading of what Bishop Sullivan and his brother bishops actually are teaching leads to

the opposite: There is no moral base for nuclear war.

For the bishops, the hard part of their peacemaking now begins: getting their pastoral letter into the hands of their flock.

Misunderstandings have already occurred in places like Seattle, where Archbishop Raymond Hanthausen is falsely depicted by some as a traitor.

The bishops' bind is that they cannot force their letter on the faithful as if it were official church teaching nor can they walk away quietly and let the government conclude that the pastoral letter was all talk.

How, then, to build a genuine

peace church? One way is to start in the parochial schools. Beginning at the earliest grades, the lessons of the pastoral letter should be as crucial a part of the curriculum as reading and math. In colleges, degree programs in peace studies can be offered.

To their credit, the bishops have helped deradicalize the issue. They are an establishment group. They understand political compromise. They realize that peacemaking should not be radical. It should be normal. There is no choice. The origins of their religion are in non-violence and peaceful resistance. The pastoral letter is the beginning of a return to the original creed.

The Washington Post.

LETTERS TO THE EDITOR

Haze Over Tokyo

Regarding "Japan Winning War on Pollution" (IBT, March 24):

I'm sure that I was not the only Japanese resident to raise an eyebrow over Tracy Dahlby's account of government efforts to solve pollution problems here. While the Japanese government may feel the problem is well in hand, Kawasaki, just south of Tokyo, last fall recorded its 600th air pollution death since 1970. Osaka and Amagasaki have had even more deaths officially recognized as due to air pollution (meaning that pollution was listed on the death certificate as the cause of death).

The government criteria for determining air-pollution casualties are strict, and many people feel that for every officially recognized air-pollution death there are 20 unofficial ones. The contention that air pollution has lessened in Tokyo is only true as far as physical, sunlight-blocking particles are concerned. Even so, Mr. Fuji is visible as little as one day a month from Tokyo.

Many Japanese residents predict that, given Japan's track record, the country will be the site of some catastrophic environmental disaster, a

calamity caused by a nuclear accident or through contamination of the food cycle, like the organic mercury poisoning case, in which the heavy metal entered the food chain through shellfish. To state that the problems appear to be under control is an injustice to those dying of environmental pollution.

RALPH S. YOURTEE, Tokyo.

The Gurkha Role

Regarding "Nobel Prize Winner Unleashes His Pen Against Britain's Gurkhas" (IBT, May 3):

Long before Gabriel Garcia Marquez's imagination ran riot on the subject of the Gurkhas in the Falklands, an Argentine lady, who called herself "Liberty," and who broadcast in English to the British tank force, was making thoroughly racist propaganda against them. She started as soon as they embarked; others have since gone on.

When it came to the surrender she claimed it was British technology that won the day; no mention of the Gurkhas then.

ELIZABETH YOUNG, London.

A Third-World War?

Regarding "Viewing the Bomb Benignly" (IBT, April 27):

Jonathan Power describes Professor Kenneth Waltz's argument that Third World countries should not be hindered from receiving nuclear arms. Mr. Waltz says that those Third World nations capable of developing nuclear weapons are stable enough not to risk starting a war.

It seems to me, though, that the countries that would lose the least in a nuclear war are Third World nations. It is clear that the Third World would be hurt economically as badly as everyone else. But one foreseeable result of a nuclear war is a political power shift away from devastated Europe and North America in favor of lesser-developed states. May I suggest that giving nuclear weapons to Third World nations could be playing with fire?

More importantly, however, people all over the world are finally trying, as they should be, to put an end to the arms race. To suggest that nuclear arms should be allowed to proliferate further seems ridiculous.

DAVID BELOITE, Fribourg, West Germany.

4 Indian States Seek Greater Powers From Central Government

By William Claiborne

MADRAS, India — Emboldened by the formation of a strong new regional lobby, and by Prime Minister Indira Gandhi's initially compliant response to it, the leaders of four southern Indian states are pressing for a major overhaul of their relationships with the federal government.

The movement is still in its early stages and could die out or disintegrate into partisan squabbling. But people on both sides of the issue have acknowledged the potential for fundamental changes in federal-state relations and a resurgence of federalism in the Indian union.

In the view of leaders from the southern states, the movement could reverse what they regard as an alarming concentration of power by Mrs. Gandhi's governing Congress-I Party in New Delhi and pave the way for the kind of strong state leadership encouraged under the administration of her father, Jawaharlal Nehru, India's first prime minister.

Other Indian leaders, however, have considered far-reaching central powers a necessary, given the strong and growing separatist and regionalist tendencies of many of the country's states.

The catalyst for the new federalist movement was a 10-hour meeting in March of the chief ministers of the states of Tamil Nadu, Andhra Pradesh, Karnataka and Pondicherry. The four ministers represent either regional or opposition parties.

An outgrowth of the meeting in Bangalore was the creation of the Southern Council of Chief Ministers, a regional lobby. Its first declared intention was to discuss common financial problems, but it has quickly evolved into a united front for pressing the Gandhi government for more decision-making powers and a greater share of federal funds.

Initially, the leaders were relatively conciliatory, emphasizing that they would seek to avoid a confrontation and wanted to work with the central government.

"We should not run to the center every other day to solve our problems," said Chief Minister Ramakrishna Hegde of Karnataka. "The center must be kept at a respectable distance to ensure the spirit of federalism."

But Congress-I's reaction was sharp and swift, with party General Secretary C.M. Stephen calling

the ministers' meeting "highly dangerous, because it panders to the rising regionalist tendencies." The meeting, he warned, "seems to have set the stage for a north-south fight."

But after the first wave of protests subsided, Mrs. Gandhi, who has been bothered by the centrifugal forces of regionalism in the Punjab and the far northeastern Indian states, unexpectedly formed a high-level commission to examine the entire range of federal-state relations.

The surprise stemmed from Mrs. Gandhi's departure from a long-standing pattern of ignoring separatist reform movements until they vanish, particularly those that have strong regional tendencies or that have challenged central authority.

The commission is headed by a prominent retired Supreme Court justice, R.S. Sarkaria.

The southern chief ministers demand changes in provisions of the Indian constitution that define federal-state relations, particularly those declaring that "the executive power of the union shall extend to the giving of such directions to the states as may appear to be necessary for that purpose."

The chief ministers are also preparing an offensive against a constitutional article, known as the "president's rule" provision, under which the central government may dissolve state legislatures and assume the powers of state government, much as Mrs. Gandhi did in the 19-month "emergency" of 1975-77.

"It has been used as a political weapon before," said Energy Minister S. Ramachandran of Tamil Nadu. "and it can be used again. They can pull down any non-Congress government anytime they want to assure their continuation in power."

Standing alone, Mr. Ramachandran said, none of India's 22 states has the political clout to exert its will on the central government.

"We have to band together," he said, "and fight all these issues as a united front."

While there is no evidence yet that the Southern Council will exacerbate regionalism, much less stimulate separatist feelings, the formation of the strong lobby already has appeared to encourage assertiveness elsewhere.

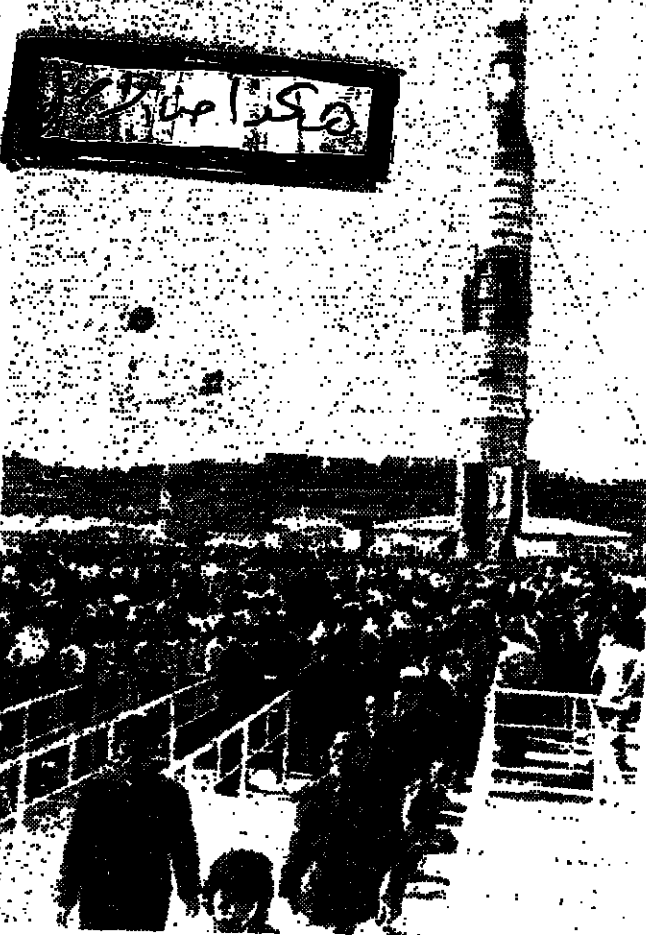
Chief Minister Farooq Abdullah of Kashmir has said he was moved by the southern states' action, adding, "The harsh fact is that the center does not appreciate or even understand the hopes and aspirations of the states."

Political leaders from West Bengal, the Punjab and other states have expressed their support as well.

The southern states are also planning to press for a bigger slice of federal disbursements, which state officials say, favor the northern states in the Hindi-speaking belt where Congress-I has an overwhelming parliamentary majority and controls state assemblies.

It is unclear how far the southern states will be able to take their reform movement. Internal disputes and language chauvinism could undermine the council's early unity. Or Mrs. Gandhi's strategy could be to bait the lobby's momentum with a drawn-out inquiry.

But the movement's tacticians say that by appointing a prestigious commission to re-examine federal-state relations, Mrs. Gandhi has given regionalism a new legitimacy and the movement can only gain in strength.



Passengers from the Chinese jet visited a space exhibit in Seoul on Monday as talks on their repatriation continued.

Status Dispute Snags Beijing-Seoul Talks

SEOUL — A last-minute hitch over the status of China's negotiators has delayed the repatriation of 36 passengers and crew from a Chinese airliner that was hijacked to South Korea last week, South Korean officials said Monday.

South Korea insisted that an agreement show that the negotiations were held between the Republic of Korea — South Korea's official name — and the People's Republic of China.

China has resisted what could be interpreted as recognition of South Korea, the officials said. Because China supports North Korea, it has no diplomatic relations with South Korea.

Beijing has argued that because its delegation is led by Shen Tu, director-general of the Civil Aviation Administration of China, the agreement should be between the two countries' aviation authorities.

But South Korea, whose negotiators have been led by Deputy Foreign Minister Gong Ro Myung, has pointed out that Mr. Shen is also a member of the Central Committee of the Chinese Communist Party and therefore a representative of

the Beijing government, the officials said.

The chief of the Foreign Ministry's treaty bureau, Lee Chang Choon, ruled out the possibility of South Korea making concessions in the negotiations.

In talks Sunday — the first official contact between China and South Korea in three decades — the Chinese negotiators backed down on their extradition demands and agreed to let South Korea try the six hijackers under domestic laws.

The hijackers, five men and a woman, seized the plane Thursday on a domestic flight and forced it to land at a U.S. military base near Seoul.

They surrendered to the South Korean authorities, and the official Chinese delegation arrived Saturday from Beijing to negotiate the return of the plane, crew and passengers.

Because South Korea has no legal precedents for dealing with air piracy, the government has sought information from other countries, diplomatic sources said. China has executed people for the attempted hijacking of aircraft.

Japan Tells Asians About Army Goals

Compiled by Our Staff From Dispatches

KUALA LUMPUR — Prime Minister Yasuhiro Nakasone of Japan assured his Southeast Asian neighbors Monday that his policy of strengthening Japan's military forces posed no threat to their security.

Mr. Nakasone also said that "we strongly hope" that SS-20 missiles deployed by the Soviet Union in Siberia will be withdrawn.

The Japanese leader, who is in Malaysia on a tour of Southeast Asia, made the statement in reply to a question about reports that there were indications that the Soviet SS-20 missile force in Asia might be doubled.

He said that if a compromise was reached at the Geneva negotiations, "it should not be made at the expense of Asia."

"Therefore, we firmly oppose any deployment to Asia of missiles to satisfy reduction of numbers in Europe," he said.

Mr. Nakasone said at a luncheon in Kuala Lumpur that Japan would continue to "preserve its security" through diplomatic channels as well as through arrangements with Washington.

In seeking to allay fears expressed by Southeast Asian nations occupied by Japan in World War II, he said his policies were aimed at maintaining a "minimum necessary self-defense capability."

"This is more than a matter of policy," he said. "It is deeply rooted in strong and unchanging Japanese national sentiments deriving from our sincere contribution at the past."

Japan has agreed to a U.S. request that Tokyo share the burden of patrolling sea-lanes extending 1,000 nautical miles from the main Japanese islands. Patrol of the sea-lanes would put Japanese warships in the waters of several Southeast Asian countries.

"In improving its self-defense capabilities, Japan is determined to commit itself solely and exclusively to self-defense and not to becoming a military power, threatening neighboring countries," he told an audience that included the Malaysian prime minister, Mahathir bin Mohammad.

Mr. Nakasone has already visited the Philippines, Indonesia, Thailand and Singapore, which with Malaysia form the Association of Southeast Asian Nations.

The prime minister said the maintenance of "close and friendly relations" with members of ASEAN will remain "a major pillar" of Japan's foreign policy.

The Japanese press gave wide coverage Monday to U.S. newspaper reports that the construction of new SS-20 missile bases had begun. The Soviet Union now has 108 SS-20s in Asia capable of hitting tar-

gets in China and Japan, according to the reports.

A Japanese Foreign Ministry source said Japan has asked the Soviet Union to withdraw SS-20 missiles from Asia, saying they are a threat to Asian security.

Tokyo has also strenuously objected to suggestions by Soviet leaders that missiles removed from Europe as part of an agreement at the Geneva talks might be redeployed in Asia.

Earlier Monday, Mr. Nakasone met with Mr. Mahathir and said he hoped a 50-percent increase in Japan's import ceilings on Malaysian manufactured goods at the beginning of next year would ease trade frictions between the two nations.

The balance of trade between the two swung back to Japan's favor in 1982 by \$600 million after Malaysia had a surplus of \$500 million in 1981.

Mr. Nakasone is scheduled to leave the Malaysian capital Tuesday for a brief stopover in the Sultanate of Brunei on the island of Borneo en route to Tokyo.

Japan to Monitor Soviet Ships
A Japanese naval ship will be assigned to the Soya Strait off Japan's main northern island of Hokkaido to monitor the movement of Soviet warships, the defense agency said Monday, according to a Reuters report from Tokyo.

It said a 2,000-ton destroyer would start round-the-clock monitoring Tuesday.

Surveillance of the strait, which

freezes during the winter, has in the past been conducted by aircraft and ground observations.

The strait serves as a route linking Vladivostok, where the Soviet Pacific fleet is located, and Petropavlovsk, a naval base on the northern Pacific peninsula of Kamchatka.

The Japanese Navy has already assigned warships to record the passage of Soviet Navy vessels coming in or out of the Sea of Japan through the Tsugaru Strait in northern Japan and the Tsushima Strait in western Japan.

The agency said an average of 205 Soviet warships pass through the Soya Strait every year, 60 through the Tsugaru Strait and 165 through the Tsushima Strait.

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Czech Party Bids Global Meeting

VIENNA — The Czechoslovak Communist Party, newspaper, Rude Pravo, has renewed a call for a world conference of Communist parties. The idea was first raised nearly three years ago, but has received little public support from other ruling parties.

"The dangerous policy of confrontation, of missing terms, carried out by the United States administration provides a never increasing need for an international conference of Communist and workers' parties," the paper said Friday. It was read here Monday.

Western diplomats said it was not clear whether the article signaled a renewed campaign to convene the proposed conference, or was merely a routine statement of the Czechoslovak position.

NASA Puts Off Launch Of Satellite by Shuttle

By Thomas O'Toole

Washington Post Service

WASHINGTON — NASA has decided to postpone the launch of a second \$100-million communications satellite because the space agency does not understand what caused the first satellite to tumble out of control last month and end up in an orbit.

"It's a very remote that Challenger will be carrying a second Tracking Data and Relay Satellite when it flies in August," Robert Allen, sat-

ellite program manager for the National Aeronautics and Space Administration, said Friday of the upcoming launch of the space shuttle.

This means that the eighth shuttle flight, in August, will carry only a small communications satellite called Insat, into orbit for the government of India.

As a substitute for the Tracking Data and Relay Satellite, the space agency will send up an 8,500-pound (3,825-kilogram) test payload, which will be used to exercise the shuttle's robot arm designed to retrieve and deploy satellites.

Postponement of the second Tracking Data and Relay Satellite launch means that the \$1-billion Spacelab, built by the European Space Agency and scheduled to fly on the ninth shuttle flight in September, will not be able to carry out a full mission.

This is because Spacelab's 40 instruments are built to work at such high speeds in orbit that at least two of the tracking satellites have to be in place.

NASA and the European Space Agency announced Friday that they had decided to fly Spacelab on schedule Sept. 30 using only a single Tracking Data and Relay Satellite rather than postpone the flight. At best, a source said Friday, the first Spacelab mission will reap a 60-percent to 70-percent return on its scientific experiments.

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Voting to Test S. Africa Race Reform

By Allister Sparks
Washington Post Service
LOUIS TRICHARDT, South Africa — A U.S. diplomat, relaxing on the porch of a hotel in this country town near South Africa's northern border, wisecracked the other day that for the first time his government was hoping to see the ruling National Party win an election.

He was one of several Western diplomats who have been coming here periodically from Pretoria to watch the campaigning in a bitterly fought special election.

The most senior member of the cabinet, Manpower Minister Stephanus P. (Fanie) Botha, is fighting for his political life against a candidate of the new far-right Conservative Party.

In the past, U.S. and other West-

ern observers have hoped to see the National Party lose ground because it is the party responsible for South Africa's policy of strict racial segregation, called apartheid.

This time it is different because under Prime Minister Pieter W. Botha the government has been introducing some small reforms, which the Reagan administration hopes may open the way to more fundamental changes.

This caused hard-liners to break away and form the Conservative Party last year.

If the Conservatives can inflict setbacks on the government in this and two other special elections Tuesday, the reforms may be abandoned and Mr. Botha's position as prime minister could be in jeopardy.

The American diplomat said: "If

Fanie Botha loses, 'constructive engagement' could be dead."

He was referring to the Reagan administration's policy, under increasing criticism from Congress, of supporting the Botha government in the belief that it offers the best hope of ending apartheid.

Last February Stephanus Botha challenged the Conservatives' leader, Andries P. Treurnicht, to resign their parliamentary seats jointly to test support in their adjoining constituencies.

Mr. Treurnicht accepted. Most political commentators consider both races, and a third in a Pretoria constituency, too close to call.

Most people questioned here say they think Stephanus Botha, who has held the seat for 25 years, will scrape home.

But experienced observers are wary of people misleading canvassers because they fear reprisals if they say they are not voting for the government's candidate.

In a constituency such as Mr. Botha's Soutpansberg, where the powerful minister has been dispensing favors for a long time, "people are being intimidated," his Conservative opponent, Thomas Langley, complained.

The Soutpansberg constituency along the border with Zimbabwe, is South Africa's frontier.

To the south, in Mr. Treurnicht's constituency of Waterberg, attitudes are, if anything, even more hard-line.

Mr. Treurnicht will be hard to beat, even though the far right vote will be split by the intervention of the even more rightist National Reform Party. Its leader, Jaap Marais, is the candidate.

One might have thought the National Party, having embarked on

their reformist course, would have been willing to write off deeply conservative seats like these, since they have more than a two-thirds majority in Parliament.

But campaign workers fear that the Conservatives may succeed in projecting themselves as the true defenders of Afrikaner nationalism, leading to a landslide in the rest of the country.

The election in the Pretoria constituency of Waterkloof is different. Here one finds the new Afrikaner, more prosperous and urbane and increasingly more politically enlightened than those in the country.

The seat became vacant because Mr. Langley resigned it to run against Mr. Botha in Soutpansberg.

With the right-wing vote split between the National Party and the Conservatives, the integrationist Progressive Federal Party, the main opposition in Parliament, appears to have a chance to win.

Uneasy Coalition Is Sworn In by King of Thailand

United Press International
BANGKOK — King Bhumibol Adulyadej Monday presided over the swearing-in of a new Thai government uniting liberals, conservatives, soldiers and civilians in an uneasy compromise coalition.

The 44 members of Prime Minister Prem Tinsulanonda's cabinet — the maximum number allowed under the constitution — took the oath of office at Chitralada Palace.

The new government includes

four political parties representing 209 of the 324 seats in the kingdom's lower house of parliament.

The coalition partners range from the left-leaning Democrat Party to the rightist Thai Citizen Party led by the new communications minister, Samak Sundaravej.

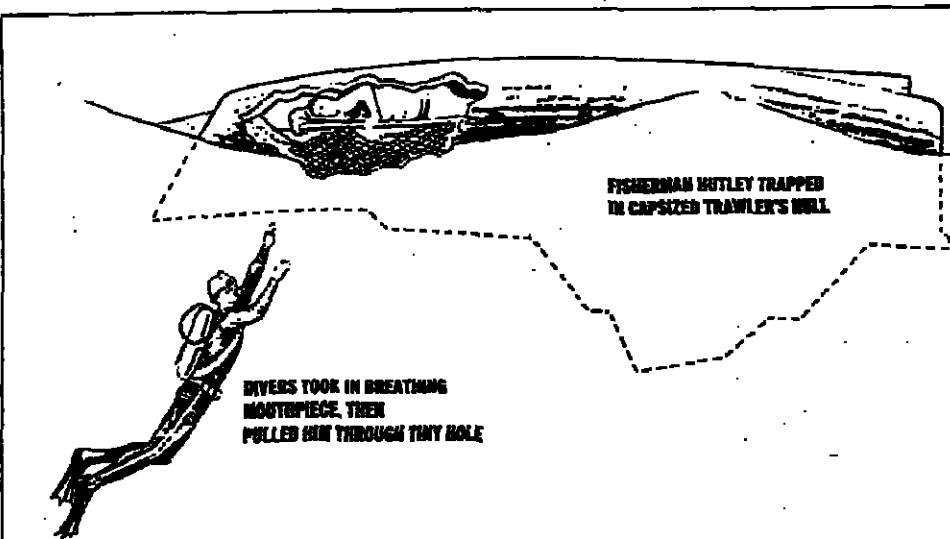
The centrist Social Action Party led by a former prime minister, M.R. Kukrit Pramoj, won the largest number of seats in the general election April 18 and was given the foreign affairs, agriculture and commerce portfolios.

Mr. Prem retained personal control of the Defense Ministry, in addition to his duties as prime minister, and selected 10 cabinet members who do not belong to any party.

Announcement of the new coalition was viewed as a setback for the military.

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An artist's impression of how John Hutley was rescued.

Man Survives 2 Days in Capsized Boat

United Press International

WELLINGTON, New Zealand — Police divers rescued a diabetic fisherman Monday from a tangle of nets beneath his capsized boat where he had survived for two days by wedging himself into a tiny air pocket rank with diesel fumes.

Another seaman, the captain of the stricken trawler Jan, clung to the upturned hull of the same boat for 33 hours before he was rescued by helicopter Sunday, authorities said.

The 30-foot (9-meter) trawler

was capsized in the Tasman Sea by a wave estimated at 56 feet. Reg Stevens, the captain, hung on in 25-knot winds and 13-foot seas until a small plane chartered by his fiancée spotted the vessel and called for a helicopter rescue.

But John Hutley, 53, remained trapped inside the boat in an air pocket about 20 inches (50 centimeters) high between the water line and hull. A local diver tried to free Mr. Hutley on Sunday but was thwarted by a tangled mess of fishing nets and ropes and radioed for help.

Mr. Hutley said he spent the two days thinking about his feelings for his wife and family and thinking about God. "But He never came," Mr. Hutley said. "Satan didn't either. It was just me and my mind."

Mr. Hutley, a diabetic, said he had not suffered without his daily insulin injection. "I slowed everything down and got by without it," he said. "I suppose I was under the boat for most of the weekend. It didn't feel that long. You can make yourself comfortable anywhere."

Polish Communist Party Delays Sensitive Conference on Ideology

By Dan Fisher

Los Angeles Times Service

WARSAW — The Polish Communist Party has indefinitely postponed a sensitive meeting on ideology of its policy-making Central Committee amid evidence of serious new factional disputes in the leadership and of Soviet displeasure with current government policy, party sources said Monday.

The developments follow several weeks of growing tension here, capped earlier this month by the first significant anti-government demonstrations in six months and the most serious protests since last summer.

The party sources said that a Central Committee meeting, originally scheduled for this weekend has been delayed for at least several days. It was postponed until after the planned papal visit to Poland in late June, they said.

The postponement follows publication late last week by a Soviet magazine of an article sharply critical of a Polish party newspaper identified with one of the principal advisers of General Wojciech Jaruzelski, who leads the country. It also criticized by name two lower-level party officials associated with General Jaruzelski.

One Polish party source characterized the Soviet article as "an extremely crude and brutal intervention" by Moscow into Polish affairs.

Another compared the article's impact on the leadership with that of an angry Soviet letter to Polish party officials in June 1981. The letter is seen by many here as the first step that led six months later to the imposition of martial law and the end of the Solidarity experiment.

While these and other recent developments suggest the most serious offensive against General Jaruzelski's rule in many months, the sources said it does not appear that the general's critics pose a direct, immediate threat to his position. Rather, they said, his opponents, with Soviet backing, are trying to impose on him even more repressive policies than he and his ruling team have already adopted.

Given the already intensifying internal political struggle here, the critical article in the current issue of the Soviet foreign affairs weekly, "New Times," caused great consternation among the Polish leadership.

The article savagely attacks the Polish Communist party weekly, Polityka, for allegedly propagating "views foreign to proletarian, communist ideology."

Polityka was edited for 25 years by Mieczyslaw Rakowski, General Jaruzelski's relatively moderate deputy premier and reputedly a member of the secret "kitchen cabinet" of party and military officials who have been making day-to-day decisions about running the country since martial law was imposed nearly 17 months ago.

Mr. Rakowski resigned as Polityka's editor last September because of the press of his government duties, but much of the material specifically criticized by "New Times" was printed before then.

The Soviet journal said that recent pro-Solidarity demonstrations in Poland proved that the "counter-revolution" had not yet been defeated, and it added that a "sharp struggle on the ideological front is increasingly significant."

In the face of this struggle, "New Times" charged, Polityka had car-

ried articles reflecting "false" or "revisionist" thinking.

It specifically criticized articles written by Jerzy Wiatr, General Jaruzelski's hand-picked director of the important Institute for Marxism-Leninism, and by Ludwik Krasucki, deputy editor of the theoretical communist monthly "New Paths" and reputedly a speech writer for General Jaruzelski.

While the Soviet magazine did not mention Mr. Rakowski by name, it did contrast his signed editorial on the proper role of the newspaper in advancing socialism with the journal's actual content.

Government and Polityka officials refused comment Monday about the Soviet attack.

Under the circumstances, however, it seems clear that the long-awaited 12th plenum (as full Central Committee meetings are called) on ideological questions would degenerate into a bitter debate with uncertain consequences.

Walesa Geared Called Off

Police called off their guard around Lech Walesa's house on Monday while the former Solidarity leader was at work, and released nine of his union associates from detention, United Press International reported from Gdansk.

After he had returned home, Mr. Walesa said, "I think it was an attack to prevent me from spreading the news of the meeting Friday. He was referring to a secret meeting of the banned trade union that he attended Friday night in Warsaw. After the meeting, Mr. Walesa was placed under heavy police guard. Nine of the 20 to 30 union officials who attended the meeting remained in custody.

Spain Vote Dominated By Socialists

Left Surpasses 50% In Regional Elections

Compiled by Our Staff From Dispatches

MADRID — Four decades after its defeat in the Spanish Civil War, the left was consolidating its position Monday as the dominant political force in Spain.

The Socialists and Communists won more than half of the vote in Sunday's local elections, virtually sealing the collapse of the center and confirming a trend toward a two-party democracy.

With 99 percent of the ballots counted, the ruling Socialist Workers' Party of Prime Minister Felipe Gonzalez has secured 43.3 percent of the vote to control 10 of the 13 regional parliaments elected Sunday and virtually all of the municipal councils in major cities and towns.

The Socialist vote was 2.7 percentage points lower than the 46 percent they won in general elections last October. The lost ground appeared to have gone to the Communists, who increased their vote from below 4 percent to 8 percent, but remained far behind the 13.5 percent that it won in the municipal elections of four years ago.

The rightist Popular Alliance gained about a point, winning 26.2 percent, and took the regional parliaments of the Balearic Islands, Cantabria and Navarre. "We have proven that we are the only viable alternative to the Socialists," said Manuel Fraga Iribarne, the party leader.

The Social and Democratic Center Party of the former prime minister, Adolfo Suarez, fell to 1.7 percent from 2.8 percent in October.

The Socialists won an outright majority in Madrid and in 29 provincial capitals, including several former rightist strongholds. The Socialists won 30 of the 57 seats in the Madrid city council to 23 for the Popular Alliance. The Popular Alliance won seven provincial capitals.

The Socialist victory meant that the party could in many cities drop municipal power sharing with the Communists. The Socialists were certain to keep the mayoralties in four of the five biggest cities — Madrid, Valencia, Seville and Zaragoza — but may need Communist backing in Barcelona.

The Communists took only one provincial capital, retaining the ancient Moorish capital of Cordoba. Mayor Julio Anguita won nearly 58 percent of the vote to 15.6 for the Socialists. Mr. Anguita's victory was attributed to his strong local following and was a welcome boost to the Communists, who were contesting an election for the first time under their new party leader, Gerardo Iglesias.

The other major feature of Sunday's elections, in which 67 percent of the electorate voted, was the ground won by the Socialists in both Catalonia and the Basque country.

The Socialists fought off a strong challenge from the conservative Catalan Convergence and Union coalition to hold on to Barcelona, and made big gains elsewhere in Catalonia.

The party also consolidated its position in the Basque country, wresting some traditional nationalist areas from local parties, notably in the industrial belt around Bilbao.

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'Julia,' 'Mary' and Lillian Hellman

By Edwin McDowell

NEW YORK — Yale University Press is about to publish the memoirs of an American woman who was active in the American underground in World War II, memories that raise questions about Lillian Hellman's similar account of anti-Nazi activities.

The Hellman memoir, "Pentimento," published in 1973, portrays a pseudonymous childhood friend of the author called Julia. This part of the book became the basis for "Julia," the 1977 motion picture, starring Jane Fonda and Vanessa Redgrave. The character of Julia has long been a subject of literary controversy. In Hellman's memoir, she describes Julia as a real person with whom she was briefly involved in the anti-fascist underground just before World War II. Critics have long suggested that Julia is a composite figure or even an invention.

The Yale book, "Code Name 'Mary,'" is by Dr. Muriel Gardiner, a psychoanalyst, who joined the anti-fascist resistance during her student days in Vienna. Both the Yale publicity release and the

book's dust jacket declare that many people believe Gardiner's life was the model for the Hellman story. One of those people is Joseph P. Lash, the biographer of Eleanor Roosevelt. On the jacket he writes: "No self-styled thriller can match this book's story. There are no fantasies. Names are named. There are real Socialists and Communists as well as Nazis and Fascists. They are recognizable and verifiable."

Asked if he was thinking of "Julia" when he wrote the blurb, Lash replied, "I don't want to get into a controversy with Lillian Hellman, but I was." He added: "The thing that appealed me, 'Julia' ends up with Lillian Hellman bringing Julia's body back to this country. Well, if Julia is, in effect, Muriel Gardiner, then I think readers are entitled to some explanation."

Hellman said that she had never heard of Gardiner until late last month. "She may have been the model for somebody else's Julia, but she was certainly not the model for my Julia," she said. In a commentary for a new edition of "Pentimento," in 1979, Hellman said she refused to reveal Julia's name for personal and legal reasons.

"I don't make any claims of being Julia because I couldn't possibly prove it," said Gardiner, who is 61 years old and lives in Pennington, New Jersey. But she added that the resemblances are "remarkable."

Hellman portrayed Julia as a wealthy American who attended Oxford University and then went to a medical school in Vienna, became a patient-pupil of Sigmund Freud and a Socialist, gave birth to a daughter and died in May 1938, apparently after having been tortured by the Nazis, who found her in an underground colleague's apartment. Somehow Julia got to London before she died, and Hellman wrote that she flew to London and brought the body home but was unable to find Julia's mother. "I had the body cremated," she wrote, "and the ashes are still where they were that day so long ago."

In Gardiner's book, to be published on May 18, she says she was a wealthy young graduate of Wellesley College who attended Oxford, went to Vienna, hoping to be analyzed by Freud, received a degree in medicine at the University of Vienna, married Joseph Buttinger, leader of the Austrian Revolutionary Socialists, and in 1934

became involved in anti-fascist and anti-Nazi activities. Using the code name "Mary," she smuggled passports and money and offered her home as a safe house for anti-fascist dissidents. In the fall of 1939, at the outbreak of World War II, the couple and their daughter sailed for the United States.

Gardiner edited "The Wolf-Man" by the Wolf-Man, documents in the case history of a wealthy young Russian who went to Vienna in 1910 to be analyzed by Freud and who became the subject of Freud's "History of an Infantile Neurosis." Gardiner met Freud only once, but she knew the "Wolf-Man" in Vienna, and "Code Name 'Mary'" carries a foreword by Freud's late daughter Anna.

In her 1979 commentary for "Pentimento," Hellman wrote that Julia's baby, as well as the woman with whom she was boarding, "were among the first to be wiped out by the Germans when they entered Alsace." The Buttingers' daughter, Connie, lives with her husband and six children in Aspen, Colorado.

"Think about it," said Gladys Topkis, Gardiner's editor at Yale University Press. "How many American millionaire medical students were there in Vienna in the late 1930s who married the head of the resistance and were active in that resistance?"

Gardiner said that on Oct. 26, 1976, she wrote Hellman in care of her publisher, pointing out that many friends and acquaintances had noticed the similarity between Julia and her, and wondered if Julia might be a composite. She said she did not receive a reply. Hellman said if she received such a letter she doesn't remember it.

In the introduction to her book, Gardiner says that she never met Lillian Hellman, but that she had often heard about her from a friend with whose family she shared a house for more than 10 years and who had visited her once in Vienna. That friend, Wolf Schwabacher, once Gardiner's lawyer, is now dead. Dr. Gardiner adds that on a visit to Vienna she asked Dr. Herbert Steiner, director of the Documentation Archives of the Austrian Resistance, what other American women he knew of who had been deeply involved in the Austrian underground.

"He knew of none," she writes. "Some months later, Dr. Steiner wrote me that since our talks he had renewed contact with many former resistance workers to ask them about American women they had known or heard of who were deeply involved in the resistance. Their answer was always: 'Only Mary.'"

Hellman said she was not surprised that Julia remains a mys-



Lillian Hellman

tery figure. "Who would keep archives of an underground movement?" she asked. "That's comedy stuff. A real underground movement would have been in hiding and would have had almost no records."

'Lives': Coward Embalmed

By Frank Rich

NEW YORK — The tone of the Richard Burton-Elizabeth Taylor "Private Lives" is established right off. When Burton makes his first entrance on to the attractive Dearville hotel terrace designed by David Mitchell, he looks anything but happy. His face is frozen in an expression of less-than-exquisite pain, and there's no bounce as he walks about on his stacked boots. He's not Noel Coward's flippant hero Elyot Chase — he doesn't even seem to be an actor. In his immaculate Savile Row business suit, Burton mostly resembles a retired millionaire steeling himself for an obligatory annual visit to the accountant.

Taylor is scarcely more buoyant. She enters in the first of several Theoni V. Aldredge costumes that fall to further the illusion of what Coward described as his "quite exquisite" heroine. Not that it matters — Taylor isn't trying to play Amanda Fyrrne. When she looks at her co-star, her glances betray neither rapture nor revulsion; she looks past him, not at him. It's only when she stares out into the vast reaches of the Lum-Fountain that her eyes reveal a hint of sparkle: what she sees then is a full house.

And so you have the complete picture. From the start, the production never even pretends to be anything other than a calculated business venture. While this "Private Lives" does plod on — and on and on — for another two and a half hours (despite substantial pruning of the script), the first impression it leaves is the last. Nothing that happens at any time has any bearing on Coward's classic 1930 comedy.

That play, the seeming inconsequentiality of its dialogue notwithstanding, is a wise and painful statement about both the necessity and the impossibility of love. In this version, whose billed director is Milton Katselas, there's no attempt to mine the gold beneath the text — or to make the most of the on-the-surface dross. Instead we get an intermittent effort by the stars to create the fan-magazine fantasy that their own offstage private lives dovetail neatly with Coward's story of a divorced couple who rekindle their old passion after meeting by chance on their second honeymoons. Announcing that she's "scared of marriage," Taylor takes a disingenuous pause almost long enough to contain a whole one-act Coward play and then winks at the audience, lest we miss the purple irony.

But life doesn't imitate art in this "Private Lives" — it obliterates it. Early on, we see that, unlike Elyot and Amanda, Burton and Taylor have little lingering affection for each other — or none that they can either convey or fake on stage. When Burton finally crosses from his side of the terrace to embrace Taylor in Act I, he approaches the task with the stealthy gait of Count Dracula stalking a victim. When, in the Paris flat of Act II, he grabs his co-star's (covered) breast from behind, he evinces the perfunctory, clinical detachment of a physician who's examined too many patients in one day — and Taylor responds as if under anesthesia.

Taylor lists about, her hands fluttering idly, like a windup doll in need of a new mainspring. Her voice — sometimes a Southern-accented falsetto, sometimes a campy screech — often mangles simple words (like "pompous") and occasionally defies the amplification system by evaporating entirely. The single line she speaks with conviction is a plaintive, "How long, oh Lord, how long?" Burton's voice, by contrast, remains a crisp, mellifluous instrument that snarls a few legitimate laughs on some of Coward's more barbed lines.

Perhaps if the stars acted as if they were enjoying themselves, this evening could have worked. But Taylor and Burton look whipped and depressed as they go through the motions of "Private Lives." Far from turning back the clock to a more glamorous past — whether Coward's, Elyot's and Amanda's, or their own — they succeed only in making the rest of us feel very, very old.



Muriel Gardiner in 1934.

Resnais' 'Vie': Less Than Meets the Eye

By Thomas Quinn Curtiss

PARIS — Alain Resnais' "La Vie est un roman" is a dizzying variation on the search-for-happiness theme, suggesting the premise of Maderick's "Blue Bird" re-paraphrased with modern psychological plumbing by the scriptwriter, Jean Gruault.

To illustrate the quest for self-realization it tells three stories simultaneously. This is not quite as original a device as novice moviegoers might imagine. D.W. Griffith interwove four stories in "Intolerance" and Charles Brabin five in "The Bridge of San Luis Rey," not to mention "Grand Hotel" and its countless imitations.

The Resnais-Gruault trio are bound geographically, but not in time. Their unifying setting is a hideous neo-Renaissance chateau that an eccentric Lithuanian count has built for utopian purposes in the Ardennes forest on the eve of World War I. There he piles up guests with magic potions to banish memories of the past. Ruggero Raimondi, the opera star, is the Dracula-like host, whose noble experiment explodes when the woman he loves (Fanny Ardant) loses faith in his spiritual rejuvenation process.

Next we have the forbidding castle become a progressive kindergarten after World War II, a magnet for avant-garde pedagogues and later-day do-gooders to air their views on education. In the fold are Vittorio Gassman, as a renowned Italian architect, Geraldine Chaplin as a swinging Yankee anthropologist, Robert Manuel as the flustered director of the institute, and Sabine Azema as an idealistic schoolmar.

The third tale is a nursery fable with a dashing prince righting wrongs in a fairyland realm. In these episodes the participants occasionally and depressingly raise their voices to sing dismal doggerel, but the youngsters at play are a pleasant surprise after listening to the fascist declarations and mumbo jumbo of their stuffy elders. The moral appears to be the latitude that in the young lies the hope of tomorrow and possibly the path to human contentment.

The production is elaborate and the cast all-star, though Resnais has neglected to supply its members with rewarding roles. As a political spectator remarked to her companion after the film's showing: "It's very special, extremely special." A candid comment would be that there is less in it than meets the eye, for its pictorial values are superior to its narrative.

Claude Lelouch has limited himself to telling two stories in his "Edith et Marcel," an attempted reconstruction of Piaf's romance with the champion pugilist. Cerdan, Lelouch's second story is silly fiction, and superficial, and without it his film would be improved and mercifully shorter.

As an American movie already has made us privy to Piaf's humble beginnings and early melodramatic experiences, Lelouch has skipped her phenomenal rise from Parisian street warbler to international star. In soap-opera fashion he pictures the boxer's timid wooing of her when she was at the zenith of her career, her hesitant surrender to him and her heartbreak when he was killed in an airplane crash. We see him in the ring and we see her captivated cabaret audiences. These scenes are done with Lelouch's customary verve, but why the insertion of a subordinate plot that has nothing to do with either Edith or Marcel?

The answer is that it affords the leading actress, Evelyn Baer, who impersonates Piaf, an opportunity to do something else, doubling in slice of hokum about a young miss who corresponds with an imprisoned poet who has never seen during the war. Predictably, when they meet she finds he is not the fine, handsome fellow he has described himself and she takes up with his comrade, who has penned his letters for him.

Baer bears scant resemblance to Piaf and apparently is no singer. Piaf's voice is dubbed in for the old favorites and Mama Bea renders three new numbers (music by Francis Lai, words by Charles Aznavour). Marcel Cardan Jr. appears as his father. The family face is vaguely discernible, but junior requires histrionic training if he is to have an acting future. Jacques Villaret, an obese comic, and Francis Huster, late of the Comedie Francaise, are participants in the unnecessary accompanying story.

Roger Vadim's "Surprise Party," though only partially satisfactory, has a breezy freshness and incidents of charming humor. It has to do with a set of youngsters in the 1950s who have just received high-school diplomas and are preparing for adult life. Vadim has sketched them against the past, back to the very beginning, and in doing so has captured the zest and pathos of adolescence with revealing accuracy. His son, Christian Vadim, a replica of his papa, makes a promising debut in the lead.

The Italians have often surpassed their Gallic colleagues at amusing sex comedy, but Dino Ris's latest contribution, billed here as "Les Déniers monstres," discloses the erotic farce in sad decline. The two earlier "Monstres" movies, collective work of several directors including Ris, contained bits of memorable brilliance. The last one is a vulgar, empty and transparently contrived. Nor is its dominating comedian, Johnny Dorelli, of aid in according it the necessary lift. He changes disguises in the series of revue blackouts, but he is a consistently gloomy funny-man.

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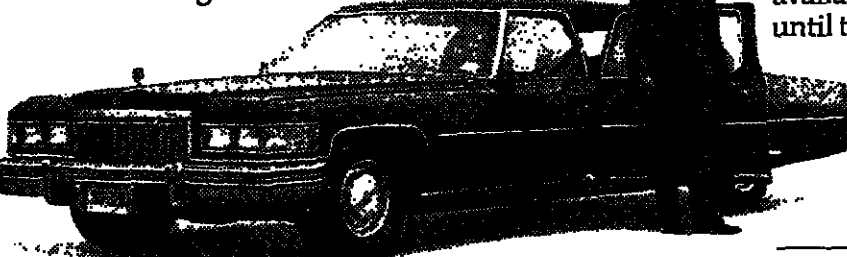


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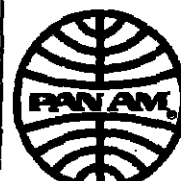
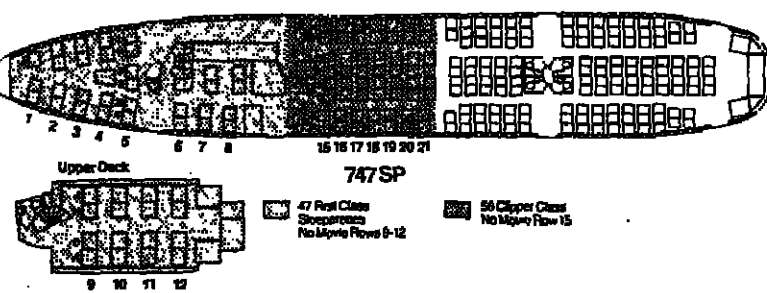
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Dow Jones Averages

	Open	High	Low	Close	Change
30 Stocks	1227.75	1242.25	1230.00	1238.75	+11.00
Industrials	1027.50	1042.00	1020.00	1038.00	+10.50
Utilities	112.75	114.00	112.00	113.50	+0.75
Transp.	112.75	114.00	112.00	113.50	+0.75

Standard & Poor's Index

	Open	High	Low	Close	Change
30 Stocks	1227.75	1242.25	1230.00	1238.75	+11.00
Industrials	1027.50	1042.00	1020.00	1038.00	+10.50
Utilities	112.75	114.00	112.00	113.50	+0.75
Transp.	112.75	114.00	112.00	113.50	+0.75

Market Summary, May 9

NYSE

Volume	Open	High	Low	Close	Change
1,234,567	1227.75	1242.25	1230.00	1238.75	+11.00

AMEX

Volume	Open	High	Low	Close	Change
123,456	44.75	45.25	44.50	45.00	+0.25

NASDAQ

Volume	Open	High	Low	Close	Change
1,234,567	1227.75	1242.25	1230.00	1238.75	+11.00

NYSE Most Actives

Symbol	Price	Change
IBM	125.00	+1.00
AT&T	110.00	+0.50
GE	105.00	+0.25
Am. Express	115.00	+0.75
Am. Tel. & Tel.	120.00	+1.25

Odd-Lot Trading in N.Y.

Symbol	Price	Change
IBM	125.00	+1.00
AT&T	110.00	+0.50
GE	105.00	+0.25
Am. Express	115.00	+0.75
Am. Tel. & Tel.	120.00	+1.25

Dow Jones Bond Averages

	Open	High	Low	Close	Change
30 Bonds	112.75	114.00	112.00	113.50	+0.75

NYSE Most Actives

Symbol	Price	Change
IBM	125.00	+1.00
AT&T	110.00	+0.50
GE	105.00	+0.25
Am. Express	115.00	+0.75
Am. Tel. & Tel.	120.00	+1.25

Monday's NYSE Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

12 Month	High	Low	Stock Div.	Yld.	P/E	100	High	Low	Close	Change
IBM	125.00	120.00	1.50	4.0	15.0	125.00	125.00	120.00	125.00	+1.00
AT&T	110.00	105.00	1.00	3.5	15.0	110.00	110.00	105.00	110.00	+0.50
GE	105.00	100.00	0.75	3.0	15.0	105.00	105.00	100.00	105.00	+0.25
Am. Express	115.00	110.00	1.25	4.5	15.0	115.00	115.00	110.00	115.00	+0.75
Am. Tel. & Tel.	120.00	115.00	1.00	4.0	15.0	120.00	120.00	115.00	120.00	+1.25
Am. Int'l. Corp.	110.00	105.00	0.75	3.5	15.0	110.00	110.00	105.00	110.00	+0.50
Am. Overseas	105.00	100.00	0.50	3.0	15.0	105.00	105.00	100.00	105.00	+0.25
Am. Safeway	100.00	95.00	0.25	2.5	15.0	100.00	100.00	95.00	100.00	+0.25
Am. Super. Cent.	95.00	90.00	0.25	2.5	15.0	95.00	95.00	90.00	95.00	+0.25
Am. Stores	90.00	85.00	0.25	2.5	15.0	90.00	90.00	85.00	90.00	+0.25
Am. T. & E.	85.00	80.00	0.25	2.5	15.0	85.00	85.00	80.00	85.00	+0.25
Am. T. & T.	80.00	75.00	0.25	2.5	15.0	80.00	80.00	75.00	80.00	+0.25
Am. T. & W.	75.00	70.00	0.25	2.5	15.0	75.00	75.00	70.00	75.00	+0.25
Am. T. & X.	70.00	65.00	0.25	2.5	15.0	70.00	70.00	65.00	70.00	+0.25
Am. T. & Y.	65.00	60.00	0.25	2.5	15.0	65.00	65.00	60.00	65.00	+0.25
Am. T. & Z.	60.00	55.00	0.25	2.5	15.0	60.00	60.00	55.00	60.00	+0.25
Am. T. & AA.	55.00	50.00	0.25	2.5	15.0	55.00	55.00	50.00	55.00	+0.25
Am. T. & AB.	50.00	45.00	0.25	2.5	15.0	50.00	50.00	45.00	50.00	+0.25
Am. T. & AC.	45.00	40.00	0.25	2.5	15.0	45.00	45.00	40.00	45.00	+0.25
Am. T. & AD.	40.00	35.00	0.25	2.5	15.0	40.00	40.00	35.00	40.00	+0.25
Am. T. & AE.	35.00	30.00	0.25	2.5	15.0	35.00	35.00	30.00	35.00	+0.25
Am. T. & AF.	30.00	25.00	0.25	2.5	15.0	30.00	30.00	25.00	30.00	+0.25
Am. T. & AG.	25.00	20.00	0.25	2.5	15.0	25.00	25.00	20.00	25.00	+0.25
Am. T. & AH.	20.00	15.00	0.25	2.5	15.0	20.00	20.00	15.00	20.00	+0.25
Am. T. & AI.	15.00	10.00	0.25	2.5	15.0	15.00	15.00	10.00	15.00	+0.25
Am. T. & AJ.	10.00	5.00	0.25	2.5	15.0	10.00	10.00	5.00	10.00	+0.25
Am. T. & AK.	5.00	0.00	0.25	2.5	15.0	5.00	5.00	0.00	5.00	+0.25
Am. T. & AL.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AM.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AN.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AO.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AP.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AQ.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AR.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AS.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AT.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AU.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AV.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AW.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AX.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AY.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & AZ.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BA.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BB.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BC.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BD.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BE.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BF.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BG.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BH.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BI.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BJ.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BK.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BL.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BM.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BN.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BO.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BP.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BQ.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BR.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BS.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BT.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BU.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BV.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BW.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BX.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & BY.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T. & CZ.	0.00	0.00	0.25	2.5	15.0	0.00	0.00	0.00	0.00	+0.25
Am. T										

TUESDAY, MAY 10, 1983

COMMODITIES

By H.J. MAIDENBERG

Long-Term Treasury Bond Rally Has Limited 'Wild Card Option'

NEW YORK — One of the major reasons Treasury bond futures have long been the most actively traded contracts in the U.S. commodity market is that traders who sell futures short can use what is known as the "wild card option," when bond cash and futures prices are falling.

What the shorts could do profitably when bond prices were declining was wait until the delivery month arrived, rather than buy out of their position well before the expiration of the contract, which is normally the case in most commodity markets.

Just before expiration, if prices of the underlying bonds were still declining, they would buy the cheapest Treasury bonds they could find in the cash market and deliver or "put" them to holders of the long (buy) futures and thus settle their contractual obligation.

The reason the shorts can do this is that the Chicago Board of Trade permits the delivery of a relatively wide range of Treasury bonds against their contract, so the shorts have a variety of "wild card options."

A Treasury bond futures contract consists of \$100,000 face amount of securities. But the contract cannot specify the value of deliverable bonds because that is determined in the open market.

Since last February, however, fewer shorts have been "putting" actual bonds to the longs because interest rates have been softening.

Late Friday, after the Federal Reserve announced an unexpected \$14-billion rise in the M-1 money supply figures, prices of Treasury bonds fell in the cash market. Quickly, bond futures traders who were short the spot June delivery were in the cash market buying the cheaper bonds.

"While last Friday's Fed numbers and the subsequent drop in cash bond prices may be a temporary aberration, it helped a lot of hard-pressed shorts in the bond-futures market," said Norman E. Mains, financial markets research director at Drexel Burnham Lambert's Chicago office.

The bond futures market closed at 3 p.m. New York time, or an hour before the Fed's weekly money supply figures are announced, but the cash market remains open for several hours afterward, Mr. Mains said, noting:

"The time factor is important because the Chicago Board's bond contract specifications give shorts the option of notifying their clearing member broker up to 8 p.m. that they intend to make delivery on any business day during the delivery month, or the two last business days of the previous month. The current spot bond futures contract is June and that contract expires on the 21st of next month."

Big Loss for Shorts

When the bond futures market closed Friday, the June delivery, the most actively traded, was up 10 3/4, at 79 1/2, which produced a big loss for futures shorts. Each thirty-second of a point is equivalent to \$31.25 per contract.

But when the cash market closed, the last quote for the Treasury's 14-percent bonds of 2006-11, were down 11 3/4 on the day. The bellwether 14-percent bonds are usually the cheapest Treasury paper that shorts put to the longs because the prices of these long-term instruments are often the lowest available.

By using the wild card option and sellers put, many arbitrageurs as well as ordinary traders made large profits when bond prices were tumbling late last year, Mr. Mains said, explaining:

"Stripping away the carrying, or financing costs, arbitrageurs and other traders were making between 12 1/2 and 20 1/2 by buying the 14-percent Treasury bonds in the cash market, especially late on Fridays, and delivering them against the futures."

Value of Sellers Put Shrank

Why Friday's Mr. Mains replied: "Before the Fed de-emphasized the M-1 money supply numbers, each rise in the figures announced every Friday afternoon would cause the cash bond market to plunge, a situation that often carried over to Monday."

But since the M-1 numbers were de-emphasized and, concurrently, the rally began in February, the value of the sellers put shrank to as low as 4/32, or an eighth of a point, because investors were bidding up the price of the Treasury 14-percent bonds and other bonds in the cash market, until late last Friday.

Because one-day price moves are meaningless, bond futures shorts, thinking of using the sellers put and wild card option strategies with the expiring June contract should be very careful, he added.

The New York Times

CURRENCY RATES

Interbank exchange rates for May 9, excluding bank service charges.									
	\$	£	DM	¥	₹	₪	₦	₧	₡
American dollar	1.00	0.75	1.76	111.25	25.36	1.76	1.76	1.76	1.76
British pound	0.75	1.00	2.46	154.55	37.46	2.46	2.46	2.46	2.46
French franc	0.19	0.14	1.00	65.48	15.45	0.19	0.19	0.19	0.19
German mark	0.55	0.41	1.00	63.76	15.45	0.55	0.55	0.55	0.55
Japanese yen	0.009	0.007	0.015	1.00	23.74	0.009	0.009	0.009	0.009
Italian lira	0.002	0.001	0.003	2.00	1.00	0.002	0.002	0.002	0.002
Spanish peseta	0.000	0.000	0.000	166.64	1.00	0.000	0.000	0.000	0.000
Swiss franc	0.75	0.56	1.00	73.36	17.48	0.75	0.75	0.75	0.75
U.S. dollar	1.00	0.75	1.76	111.25	25.36	1.76	1.76	1.76	1.76

INTEREST RATES

Eurocurrency Deposits									
	1M	3M	6M	9M	12M	15M	18M	21M	24M
1M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
3M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
6M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
9M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
12M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

Key Money Rates									
	1M	3M	6M	9M	12M	15M	18M	21M	24M
1M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
3M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
6M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
9M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
12M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

GOLD PRICES									
	1M	3M	6M	9M	12M	15M	18M	21M	24M
1M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
3M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
6M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
9M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
12M	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

Oil Exploration Turns Competitive

By Clifford D. May

New York Times Service

NEW YORK — When the 13 members of the Organization of Petroleum Exporting Countries agreed to drop their benchmark price for crude oil by \$5 a barrel in March, prolonged infighting appeared to come to an end and oil prices stabilized.

But now another significant — if less visible — issue is breeding divisiveness as producing nations compete for the diminishing funds earmarked by the oil companies for exploration.

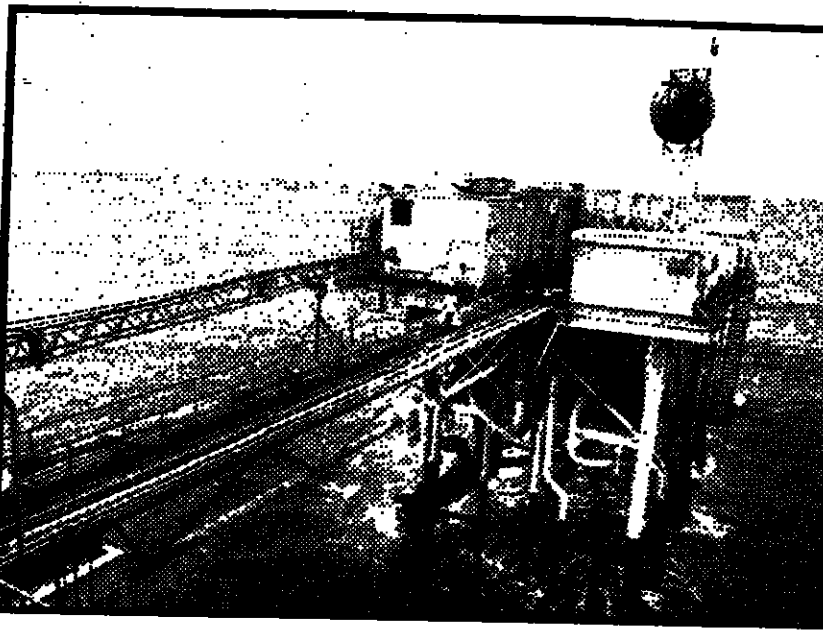
"The drop in oil prices has an effect on the whole industry," said George McCourt, liaison for exploration and production at Phillips Petroleum. "There is likely to be a lot more competition among countries for the increasingly scarce capital for exploration."

William Adams, an energy analyst also with Phillips, added that because both profits and overall capital expenditures were down for most companies, and because — due to reduced demand in the West — most oil-producing nations could now pump much more oil than they could sell. "The question becomes where is the investment climate most attractive?"

His answer, and that of many experts, is that the climate is now most favorable at home. "A relatively benign fiscal regime in the United States, decontrol of oil prices, the federal leasing program, which has put billions of acres of federal land on the market — all of these factors are unprecedented and they are all reasons to invest in the United States. In the 1970s, companies tended to spend outside the United States. Now the trend is to spend within the country."

Mr. Adams mentioned, too, the growing importance of "a number of nations that have not been in the game in the past." Most important among them, he said, is China, a country that should soon be in a position to compete very effectively for exploration capital. "China is going to become a place where companies will have to spend money," Mr. Adams predicted.

Under such conditions, smaller oil-exploring



A Mobil oil platform off the Nigerian coast. Some developing countries are offering new concessions to attract investment from oil companies.

ing nations and those with the potential to become only small exporters may have to offer more and better concessions to attract oil company investments.

"That's already happening in some developing countries, such as the Philippines and other nations in Asia," said James Tanner, editor of Petroleum Information International. "Turns are getting better."

The type of concessions offered vary from case to case but normally take the form of more favorable arrangements regarding taxes, royalties and increased profit margins on oil purchases and increased profit margins. "I wouldn't call this a worldwide full-scale trend at this point," Mr. Tanner said, "but there are ample signs of it creeping up."

oil companies will be particularly important for the nations of West Africa, which Mr. Tanner characterized as having "the best potential in the world outside of the Middle East."

Nigeria's undiscovered reserves, for example, are generally estimated at about 20 billion barrels, and geological and seismicographic data indicate the possibility of significant offshore deposits near the Ivory Coast. Gabon, though not currently a large producer, may also have sizable quantities of oil still hidden beneath its soil.

But countries such as Gabon and the Ivory Coast, according to Mr. Adams, "will have to play with the companies who are already there rather than expecting to attract anyone."

(Continued on Page 11, Col. 5)

Dow Closes Down After a Late Bid For Rally Fails

Compiled by Our Staff From Dispatches

NEW YORK — Prices were mixed at the close of New York Stock Exchange trading Monday as a late rally attempt in blue-chip issues fizzled. Trading was active.

The Dow Jones industrial average, which rose 12.87 to an all-time high close of 1,228.23 Friday, closed off 4.36 to 1,223.87. It had been down more than eight points at the outset and up three in the final hour.

Since the Dow, which gained 6.39 points overall last week, had risen 455.67 points since the bull market began last Aug. 13, most observers expected traders to cash in on some profits.

Advances led declines by an 8-7 margin among the 1,984 issues traded.

Big Board turnover was 93.7 million shares, down from the 128.2 million traded Friday, the busiest session in four months.

Prices were higher in moderately active trading of American Stock Exchange issues.

Despite the slower trading, the NYSE transaction tape ran 13 minutes late at one time, indicating that smaller investors with smaller trades were big participants in the market.

Analysts said that with most market indicators at or near record highs, traders have become cautious.

Big institutions and professional traders were more cautious because they were uncertain about the course of the market. Many have

been waiting for a substantial pull-back.

Initial selling was triggered by investor concern over the Federal Reserve's report late Friday that M-1, the narrowest measure of the U.S. money supply, rose \$1.4 billion in the latest week.

But various reports said banks are under pressure to lower their prime lending rate because the demand for business loans is off sharply.

Some dealers noted that growth in the broader monetary aggregates, M-2 and M-3, is thought to have slowed in April and that these figures should have a positive impact on the market when released Friday.

Chrysler, which has used government loan guarantees to stave off economic collapse, was active. The No. 3 automaker asked the government to forego exercising warrants to buy 14.4 million Chrysler shares that would result in a \$230-million profit for the government.

Analysts had said that they expected to see some profit-taking Monday. They noted some professional traders cashed in on their gains late Friday, when the Dow hit the 1,240 level and smaller investors began buying heavily into speculative issues.

"There are many signs the market has reached a top," said Trude Latimer, Evans & Co. vice president. "There was heavy volume and churning at the 1,240 level of the Dow. And speculative issues came into play. We could be getting set for a blow off."

Michael Metz, an analyst with Oppenheimer & Co., said some investors are also concerned with the type of stocks that were leading the market higher last week. He said many investors did not find it encouraging that blue chip issues like IBM had taken a back seat to rail and other transportation issues.

■ Tokyo Market Hits Record
The yen's sharp appreciation against the dollar pushed the Tokyo Stock Market average up a provisional 31.11 to end at a record closing high of 8,719.88, dealers said Monday. Reuters reported from Tokyo.

Petroleum and electrical issues, all expected to benefit from the yen's rise, moved higher across the board, they said.

The closing average was slightly below the all-time record of 8,723.02 set at the morning close Monday, they said.

Heavy Industries Tarnish U.S. Profit Picture

By Kenneth N. Gilpin

New York Times Service

NEW YORK — Continued weakness in heavy industries — steel, chemicals and oil — marred what otherwise was an improvement in U.S. corporate profitability during the first quarter.

In general, all companies benefited from a reviving economy, lower interest rates and drastically pared operating costs. As a result, economists and other analysts said that after-tax profits for the quarter almost certainly had their first year-to-year increase since the second quarter of 1981. Official figures from the Commerce Department have not yet been released.

But the drag placed on aggregate results by oil and chemical companies, many of which posted sharp drops in earnings; by steelmakers, which had losses of more than \$400 million; and by the commercial airlines, which had losses totaling \$483.1 million, was large.

A compilation by The New York Times of the results of 293 major companies in 32 different industries all groups showed that 158, or 54 percent, posted a loss or a decline in earnings in the first quarter compared to the like period a year earlier. A third of those companies

were in energy, chemicals, steel or commercial aviation.

These results were an improvement from a year earlier. In a somewhat smaller sampling last year, almost 60 percent of the 271 companies surveyed showed a loss or lower earnings compared to the first quarter of 1981.

"The 1983 profit year got off to a significantly worse start than was originally anticipated," said Otto Eckstein, chairman of Data Resources Inc., an economic-forecasting concern in Cambridge, Massachusetts. "And the main reason is that the recession was still clobbering heavy-industry earnings."

Because of the weakness in heavy industry, Data Resources estimated that after-tax profits rose 6.9 percent in the first quarter from the like period a year ago, to an annualized \$122.9 billion. That increase was considerably lower than the 11 percent rise that the company had been forecasting some weeks ago.

But there was improvement elsewhere. Of the companies surveyed, 133, or 45 percent, reported an increase in after-tax profits, including 13 that had posted losses in the first quarter of 1982. Retailers and many consumer-durable-goods

manufacturers posted large increases. And two of the recession's most prominent victims, housing and autos, saw profits rise sharply, in some cases to record levels.

Another positive element, according to Gary Wengowski, chief economist at Goldman Sachs & Co., is that because of a slow increase in the inflation rate, inventory profits were kept at a minimum during the first quarter.

"The low level of inventory profits means that profit quality was very high," he said. On an annualized basis, Mr. Wengowski estimates that inventory gains in the first quarter amounted to less than \$1 billion, down sharply from \$9 billion a year earlier.

Reflecting the improving econ-

omy, 52 percent of the companies covered reported a rise in total revenue, 43 percent posted a decline, and the rest were unchanged.

But in some cases the effort to control costs was so successful that profit rose sharply in spite of a drop in revenue.

Results at Crown Zellerbach offer a case in point. Last quarter, revenue at the building and forest-products company declined 15 percent, to \$617.1 million. But as revenue came down, net income more than doubled, to \$20.4 million.

In most cases, declines in revenue were not accompanied by increases in net income for the nation's major oil companies. Together, they account for about a third of all corporate profits, but in the

first quarter they were hit hard by the mild U.S. winter and the \$5-a-barrel reduction in oil prices.

Two of the top three oil companies — Exxon Corp. and Mobil Corp. — managed to buck the overall trend. But Texaco Inc., the third largest, did not.

At Exxon, higher profit from Saudi and North Sea oil pushed net income up by 26 percent, to \$1.06 billion, from the like period a year ago. Mobil said its earnings from foreign petroleum almost doubled, and was the major factor behind its 3 percent increase in quarterly income. Texaco, a third member of the Arabian American Oil Co. partnership, did not fare so well. There, net income fell 13 percent, to \$319 million.

Thatcher Move Unsettles Currency Markets

By Hugh Pain

Reuters

LONDON — A ripple of unease went through foreign exchange markets Monday after Prime Minister Margaret Thatcher made her long-awaited announcement of a British general election next month.

Sterling rallied briefly but later slipped back, opening at \$1.53 and hovering around \$1.58 throughout the morning, then drifting down to \$1.5725, more than half a cent below its London closing level Friday.

In New York, sterling showed signs of steadying at mid-session but was still well below Friday's close amid heavy selling after the announcement, dealers said. The pound dropped as low as \$1.566 before recovering to \$1.5705, compared with \$1.5825 Friday.

Dealers said that, although operators had anticipated an early vote and expect Mrs. Thatcher to stay in power, caution about the outcome prompted nervous profit taking. Some dealers speculated that sterling would fall to about \$1.55 before finding a floor.

Against the Deutsche mark, the pound dropped to 3.819 in early afternoon from about 3.852 at Friday's close in New York. In Frankfurt the pound also lost ground against the mark, trading at 3.825 after 3.8503 at Friday's close.

Mrs. Thatcher ended weeks of

speculation by naming June 9 as the date for the vote, 11 months before it is constitutionally necessary.

Dealers said sterling's move, however, although narrow, reflected caution over the likely outcome of the election.

Despite record unemployment and protests over Mrs. Thatcher's strict monetarist policies, opinion polls have given her Conservative Party a huge lead for several months over the main opposition party, Labor, and the centrist alli-

ance of Social Democrats and Liberals.

But three polls published over the weekend, while still giving the Conservatives a lead, showed support for Labor edging up.

Labor has promised to withdraw Britain from the European Community and is committed to unilateral nuclear disarmament and a major program of state investment to create jobs.

A Labor victory would be expected to result in a large-scale

withdrawal of foreign investment and a run on sterling.

On the London Stock Exchange, the Financial Times index of 30 shares dipped after Mrs. Thatcher's statement but later recovered to 690.2 points, off 4.2 from Friday.

Trading in sterling in New York overshadowed the dollar, which moved quietly in a narrow range of 2.432 to 2.4375 DM Monday morning, dealers said. In early afternoon they quoted 2.4325, compared with 2.434 at Friday's close.

ITT Financial Corp. May Tap Euromarket

Reuters

FRANKFURT — ITT Financial Corp., the consumer and business finance subsidiary of International Telephone & Telegraph, plans to raise its first Eurobond within the next three months, company officials said Monday.

At a presentation to bankers, W. Gene Gerard, senior vice president and treasurer, said the company is debating a bond of about \$100 million. Other conditions would be set according to market conditions at the time of issue.

The officials said proceeds would be used to finance the company's lending operations. ITT Financial's notes receivable stood at the end of 1982 at \$3.89 billion.

While ITT Financial has not previously borrowed on the Eurodollar market, its parent company has regularly issued bonds, most often through its International Standard Electric Corp. subsidiary.

The officials said the company would launch the issue when rates for Eurodollars are more favorable than raising funds in the U.S. domestic market.

There were three new issues brought to market Monday. The Madrid-based telephone company, Compañia Telefonica Nacional de España, is raising 100

million Deutsche marks through a 10-year Eurobond lead managed by Dresdner Bank. The issue carries fixed terms of an 8 1/4 percent coupon and par pricing.

BOC Group, the British industrial gases company, is raising \$100 million through a 10-year Eurobond, lead managed by Nomura International. With a 10 1/4 percent coupon and par price, the issue is callable by the borrower after seven years at 101. Nomura said.

Banque Bruxelles Lambert is raising \$100 million through a 12-year floating rate note, lead managed by Credit Suisse First Boston.

Launched through a finance subsidiary, the issue pays interest of 14 percent over the six-month London interbank offered rate, with a minimum coupon of 5 percent, CSFB said.

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Monday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street

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(Continued on Page 12)

INTERBANK

Closing prices May 9*

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INTERNATIONAL
Herald Tribune
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By Jonathan Lynn

until the next part of an International Monetary Fund standby credit totaling \$475 million in Special Drawing Rights becomes available in June, the sources said. The IMF is expected to repay the money on Hungary's behalf next month.

The national savings bank offers interest rates on hard-currency accounts that are competitive with those in the West. The 65,000 accounts total the equivalent of more than \$30 million dollars and are tax-free.

■ **Hungary Gets Bridging Loan**
Hungary has received a new bridging loan of \$100 million from the World Bank, to be repaid through

about eight central banks through the Bank for International Settlements, European monetary sources told Reuters in Basel Monday.

LONDON — British North Sea crude oil output is likely to exceed 2.5 million barrels a day by the end of this year, up from its current output of 2.1 million, Petroleum Intelligence Weekly quoted industry sources as saying Monday.

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The election of Finance to redeem all of the outstanding Debentures has been made pursuant to the fifth paragraph of the form of Debenture. The condition precedent to the right of Finance to redeem the Debentures pursuant to such fifth paragraph has been satisfied as the last sale price per share of Common Stock of the Company as reported on the New York Stock Exchange on each day on which there was such a reported sale price during the 30-day period immediately preceding the 20th day preceding the date upon which this Notice of Redemption was first published was at least 130% of the Conversion Price (as defined in the Indenture) in effect on each such day.

IMPORTANT INFORMATION FOR DEBENTUREHOLDERS

From August 1, 1982 through May 2, 1983, the Company Common Stock traded on the New York Stock Exchange at prices ranging from \$9.50 to \$28.00 per share. The closing price of the Company Common Stock on the New York Stock Exchange on May 2, 1983, was \$24.25 per share. At such closing price per share, the holder of \$1,000 principal amount of Debentures would receive, upon conversion, shares of Company Common Stock and cash for the fractional interest having an aggregate value of \$1,302.23. However, such value is subject to change depending on changes in the market price of Company Common Stock. SO LONG AS THE MARKET PRICE OF THE COMPANY COMMON STOCK IS \$20.00 OR MORE PER SHARE, THE HOLDERS OF THE COMPANY COMMON STOCK WILL RECEIVE COMPANY COMMON STOCK AND CASH IN LIEU OF ANY FRACTIONAL INTEREST HAVING AN AGGREGATE MARKET VALUE LESS THAN THE CASH WHICH THEY WOULD RECEIVE UPON REDEMPTION. FAILURE TO SURRENDER DEBENTURES FOR CONVERSION BEFORE THE CLOSE OF BUSINESS ON MAY 27, 1983 WILL AUTOMATICALLY RESULT IN REDEMPTION BY FINANCE ON JUNE 1, 1983 AT A PRICE OF \$1,072.11 FOR EACH \$1,000 PRINCIPAL AMOUNT OF DEBENTURES.

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The method of delivery is at the option and risk of the holder, but, if mail is used, registered mail, return receipt requested, is suggested.

For Anixter International Finance N.V.
Curacao Corporation Company N.V.
Managing Director

For Anixter Bros., Inc.
Alan B. Anixter
President and Chief Executive Officer

This Notice of Redemption is not and under no circumstances is to be construed as an offer to sell or as a solicitation of an offer to buy any of the securities of Finance or of the Company. Copies of a prospectus relating to shares of the Company Common Stock issuable upon conversion of Debentures may be obtained from any of the Conversion Agents named above or from:

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Dated: May 10, 1983

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SPORTS

76ers, Lakers Win Conference Openers

PHILADELPHIA — Substitute guard Clint Richardson scored all seven Philadelphia points in overtime to propel the 76ers to a 111-109 triumph over the Milwaukee Bucks in Sunday's opener of the National Basketball Association Eastern Conference final.

Meanwhile, Kareem Abdul-Jabbar and Norm Nixon each scored 40 points to power the Los Angeles Lakers to a 119-107 victory over the San Antonio Spurs in the Western Conference championship opener.

Milwaukee went ahead at the start of overtime on a tip-in by junior Bridgman, who scored 22 points overall. Richardson came back to tie it, but with 2:14 to go Brian Winters hit a jump shot, copped on the play by Julius Erving. Winters converted to make it 109-106, Bucks.

Richardson then converted two shots. On Alton Lister's ensuing inbounds pass, Bobby Jones stole the ball and shoveled it to Richardson, who drove for a dunk that regained the lead for the 76ers, 110-109, with 1:34 left. Marques Johnson, who led both teams with 30 points, had a chance to send Milwaukee ahead with 26 seconds to go but missed two free throws. Richardson added another foul shot to complete the scoring.

Maurice Cheeks had 26 points and Andrew Toney, playing with a bulky hangover because of an injured thigh, scored 22 for the 76ers in the first of a best-of-seven series. In the battle of huge centers, Milwaukee's Bob Lanier scored 15 and pulled in 15 rebounds to respective totals of 14 and 10 for Philadelphia's Moses Malone.

The 76ers and the Bucks, meeting in a playoff series for the third

consecutive year, didn't waste a lot of time feeling each other out. They banged hard under the boards and jugged limps freely until the most effective combinations were found.

Philadelphia led by 16 points in the second quarter, but the Bucks rallied to pull within two, 59-57, at halftime. Johnson, who scored 22 of his 30 points in the first half, led the Milwaukee comeback.

The final period started with the 76ers ahead, 85-81, and they boosted the lead to 89-83 with 9:08 remaining. But Milwaukee then started a 7-0 spurt on a 3-point shot by Winters, a field goal by Charlie Criss and one by Johnson that put

the Bucks in front for the first time in the game, 90-89.

The 76ers led by four with 3:51 to play, but Milwaukee came back on a pair of free throws by Lanier and a long jumper by Bridgman that tied the score at 96 with 3:09 remaining. The game was knotted twice more in regulation play, the last at 104-104 on a rebound shot by Bridgman with 42 seconds left.

Lakers 119, Spurs 107

In Inglewood, California, the Lakers broke open a close game with a 22-6 blitz in the final two minutes of the third period and the first four minutes of the final quarter, overwhelming the Spurs and surging to a 102-89 lead, their biggest of the game with 6:43 left.

San Antonio closed to 102-93 with 5:18 remaining, but center Artis Gilmore then fouled out, followed four minutes later by George Gervin, and the Spurs never got any closer. The Lakers ran their break to perfection in the fourth quarter, taking 21 free throws; the Spurs did not go to the line in the last period.

In the matchup of the 7-foot-2 centers, Abdul-Jabbar hit 13-of-25 field goal attempts and had eight rebounds while holding Gilmore to seven points and just six floor

shots. Gilmore also had three turnovers.

Jamaal Wilkes added 20 points for Los Angeles, while Magic Johnson scored 15 and had 12 assists. The Spurs were led by Mike Mitchell's 26 points, while Johnny Moore had 25 and 18 assists. Gervin finished with 24 points, while Gene Banks added 16.

The game marked the return to the Lakers lineup of three-time NBA scoring champion Bob McAdoo, sidelined since Feb. 16 with a dislocated toe and subsequent surgery. McAdoo finished with four points.

The Spurs took an eight-point lead late in the first period, but Los Angeles reeled off 10 consecutive points, six of them by Nixon, to hold a 32-30 lead at the end of the quarter. Early in the second period, the Lakers scored nine straight, moving in a two-minute span from a one-point deficit to an eight-point lead. But the Spurs came back to lead, 61-58, at halftime.

The teams traded spurts in the third period, the Lakers taking a 66-62 lead with an 8-1 run to open the quarter and San Antonio scoring 12 of the next 14 points to lead, 74-68, midway through. Los Angeles chipped away and led 87-83 entering the final period.



Laker center Kareem Abdul-Jabbar (33) dominated his San Antonio counterpart, Artis Gilmore, in Sunday's Game 1.

Home Run Keeps Brett's Streak Alive as Royals Rout Blue Jays, 6-1

TORONTO — George Brett hit his eighth home run of the season, lowering two-run blast, and Steve Garvey scattered six over 7 1/2 innings to lead the Kansas City Royals to a 6-1 victory over the Toronto Blue Jays here Sunday.

Third baseman Brett, who has led 25 consecutive games since the end of last season, extended his

hitting streak to 19 games by hitting his home run off Jim Gott in the fifth inning. It gave Brett 26 hits, batted-in on the year; he finished the day batting .449.

In his 10 at-bats during the weekend, Brett targeted Toronto pitching for three homers, six RBIs and four hits.

"Never before in my career have I been off to a start like this," Brett said. "I'm usually hitting .230 in April and start hitting well until after the All-Star break."

Remko (2-2) struck out four and walked two before needing relief in the eighth from Dan Uisenberry, who recorded his seventh save. Ernie Whit accounted for the only Toronto run with his first home run of the season.

McEnroe 2-Set Winner

By Neil Andrus
New York Times Service

NEW YORK — The job, almost forgotten in the serve-and-volley world of men's tennis, was John McEnroe's most effective weapon Sunday in a 6-3, 7-5 victory over Gerulaitis in the final of the tournament of Champions at the West Side Tennis Club.

McEnroe's sweep of the World Championship Tennis Finals in Dallas last week and this clay-court victory were his most impressive performances of the year. With the major international tournaments coming in Paris, Wimbledon and Flushing Meadows, his turnaround on an uncertain start in 1983 could not have come at a more opportune time.

"I'm hitting the ball as well as I ever in a long time," said McEnroe, citing a new mid-sized graphite racket and a stronger mental attitude as other reasons behind his renewed confidence.

McEnroe will decide in the next days whether he is fit enough to play the French Open later this month. That tournament is also played on clay, but is tougher because the matches are three of five sets from start to finish. "If I can work hard, I would like to give the French a good shot," he said.

The title he won Sunday was his 11th on clay in four years.

It was ironic that McEnroe, who epitomizes the serve-and-volley time, neutralized the fleet Gerulaitis with offensive lobs. At a time when topspin and power have become the primary tools on the

men's tour, lobbing sometimes is looked upon as a defensive tactic.

But Jimmy Connors has kept the forehand lob in his toolbox. And Sunday, McEnroe lobbed from both sides, without topping, disguising the shot well. Another day of wind made his lobs' effectiveness all the more remarkable.

"Vitas was clipping and charging and coming real close to the net," McEnroe said. "Maybe some other people won't lob because he is fast and he can get back for it, especially when it's windy and it's tough to get it over in the first place."

"But he was getting close to the net. If I don't hit a perfect shot or a passing shot, he's going to win the point because he's so close."

McEnroe saved two break points from 15-40 to reach 4-1 in the first set before breaking at 15 with a windmill lob that Gerulaitis muffed on the stomach.

In the second set, down a break point at 1-2, McEnroe answered Gerulaitis's sliced backhand approach down the line with a winning lob, then held from duce.

With McEnroe serving at 4-5, duce, Gerulaitis again attacked a second serve. McEnroe lobbed, Gerulaitis's high backhand approach down the line with a winning lob, then held from duce.

Gerulaitis's frustration peaked with McEnroe serving for the match at 6-5. An ace and a service winner made it 30-0. Searching for any opening, Gerulaitis rushed the net behind his return, only to miss McEnroe's deep forehand lob.

Gott (0-3) lasted 4 1/2 innings. He gave up six runs, five of them earned. Brett's homer highlighted a three-run inning. Joe Simpson led off the fifth with a walk and Brett followed with his shot over the right-field fence. Hal McKee then doubled and took third on a groundout before Amos Otis's single gave the Royals a 6-0 lead.

Tigers 5, Angels 1

In Detroit, Jack Morris pitched a five-hitter and got home run support from Howard Johnson and Lance Parrish in leading the Tigers to a 5-1 decision over California. Morris (3-4) struck out eight and walked none.

Indians 13, White Sox 6

In Chicago, Julio Franco had an RBI single in a four-run fifth and added a three-run homer to cap a six-run sixth as Cleveland routed the White Sox, 13-6. Chicago committed six errors, four wild pitches and a passed ball in losing for the first time in five outings. Franco and Mike Moberg each had three hits to lead the Indians' 18-hit attack.

Mariners 4, Red Sox 2

In Boston, rookie left-hander Matt Young allowed only two hits over five innings and Jamie Allen hit his first major-league home run to help Seattle down the Red Sox, 4-2. Reid Nichols homered for the losers.

Twins 6, Yankees 5

In Minneapolis, Gary Gaetti hit a run-scoring sacrifice fly with one out in the seventh to help Minnesota break a six-game losing streak with a 6-5 victory over New York. Winner Len Whitehouse (3-1) pitched shutout over the last three innings. Dave Winfield hit a three-run home run for the Yankees.

Brewers 6, Rangers 3

In Milwaukee, Robin Yount's three-run homer with one out in the ninth accounted for the Brewers' 6-3 triumph over Texas. Jim Slaton pitched the ninth and picked up his fourth victory in as many decisions.

A's 1, Orioles 0

In Baltimore, Orioles' Wayne Gross scored home run of the season, leading off the eighth, was the only run in a game delayed four times by rain for a total of two hours and 43 minutes. Gross lined his 360-foot opposite-field shot off the Tippy Martinez to give Bill Krueger (3-3) the victory. In both the eighth and ninth, the Orioles put two men on base with walks, but reliever Dave Beard shut the door both times for his fourth save. Baltimore starter Storm Davis allowed two hits and struck out seven during his six-inning stint.

Dodgers 6, Cardinals 4

In the National League, in Los Angeles, Dusty Baker and Greg Boser powered the Dodgers to a 6-4 victory over St. Louis and a sweep of their three-game series. Baker hit his fifth home run of the year with two out in the first off Joaquín Andujar, who has lost five in a row after winning his first two decisions of the season. The world champion Cardinals have dropped five of six games on their current West Coast trip. At 20-7, Los Angeles has the best record in baseball.

Sunday's Baseball Line Scores

AMERICAN LEAGUE
Detroit 6, Toronto 3
Cleveland 6, Kansas City 3
Pittsburgh 9, New York Yankees 3
Chicago 13, White Sox 6
Boston 4, Red Sox 2
Seattle 4, Mariners 2
Houston 2, Astros 3
Los Angeles 4, Angels 1
Oakland 13, Athletics 6
Philadelphia 6, Phillies 3
San Diego 6, Padres 3
Texas 5, Rangers 3
Washington 6, Braves 3
Milwaukee 6, Brewers 3
Minnesota 6, Twins 5
St. Louis 4, Cardinals 4
Cincinnati 6, Reds 5
Pittsburgh 9, Pirates 3
Cleveland 6, Indians 13
Detroit 6, Tigers 5
Houston 2, Astros 3
Los Angeles 4, Angels 1
Oakland 13, Athletics 6
Philadelphia 6, Phillies 3
San Diego 6, Padres 3
Texas 5, Rangers 3
Washington 6, Braves 3
Milwaukee 6, Brewers 3
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ART BUCHWALD Moonlight Class of '83

WASHINGTON — When educational scores plummet in the United States everyone tends to blame the school teachers. But this is too easy. The average salary for a teacher, after four years of college and taking special courses, is \$17,000 a year. Because many school teachers have to moonlight at another job to stay alive, they're not getting enough sleep to be sharp in the classroom.

I became aware of this when I took my nephew to dinner the other night.

"Look," he said, "There's my English teacher."

"Where?" I asked.

"The man coming over in the waiter's uniform."

"He's your English teacher?"

"Sure, Hi, Mr. Peterson."

"Hello, Michael," Peterson said to my nephew. "What brings you here on a school night?"

"My uncle is taking me out for my birthday. How did I do on my English test today?" Michael asked.

"I haven't been able to mark it yet. We had a big party of lobbyists from the American Bankers Association and they've kept me running. What would you like to order?"

Michael studied the menu and said, "What gives with the Oysters Rockefeller?"

"Nothing gives with the Oysters Rockefeller," Michael said. "You just ask, 'How are the Oysters Rockefeller?'"

"Well, how are they?"

"I would recommend them."

"Okay, I'll take a shot at them."

"You can't shoot Oysters Rockefeller. You can only eat them."

"Come on, Mr. Peterson. Don't ruin my birthday."

"I'm sorry, Michael, I forgot my place. As a waiter I shouldn't correct you."

Michael studied the menu and said, "What gives with the Oysters Rockefeller?"

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Trend Spotter

By Paul Hendrickson

Washington Post Service

WASHINGTON — John

Naishitt isn't a futurist;

he is a "social forecaster,"

basically predicting small-

scale trends, he says. In fact,

technology will make us free,

make us re-examine the arts,

the age-old questions. The future is

going to be more exciting than

ever, for "human beings always

provide counter-balance to tech-

nology, in spite of themselves."

In a sense, Naishitt is the un-

likeliest of people to make his

fortune forecasting. Once he was

a Washington bureaucrat trying

to tunnel his way out. He worked

as a top aide to HEW Secretary

John W. Gardner. In Chicago he

started Urban Research, a con-

sulting firm. A couple of years

ago he worked in Washington for

the Yankelovich poll-taking firm.

Somewhere in there, too, he had

something called the Center for

Policy Press.

Today, requests for speeches

come in at 20 to 30 a clip. "I'm

always sure 'Megatrends' is

going to be a best seller," he

says, managing not to sound

boastful. "I could see people out

there were longing for structure

about where we are and where

we're going. I had been around

the country giving too many

speeches to too many CEOs

(chief executive officers) not to

know the people in our group

would do something. Heck, I

would run into people in Sweden,

for instance, who would tell me

they had seen 14th-generation

Xeroxers of our 'Trend Reports'."

In the spring of 1969, in Chi-

cago, he had his moment of epi-

phany: He was reading a Bruce

Catton book when it hit him that

newspapers, even 100-year-old

newspapers, can be primary

source material. "I went immedi-

ately to an out-of-town news-

stand and bought 60 papers."

Asked to give an example of a

trend newspaper, he brightens.

"The Pacific Sun, Marin County,

California. There's a cutting-edge

newspaper." He also thinks The

Economist is a must for anybody

doing his kind of work. And ev-

ery day he reads The Washington

Post, The New York Times and

The Wall Street Journal. He sel-

dom clips or marks up these

papers, save them to the troops.

"How do you categorize without

getting emotionally involved —

ah, that's the art," he says.



John Naishitt: There's gold in those clippings.

There is a John Naishitt megatrend. In fact, it's Megatrend No. 1 (out of 10) in the book: We are in the throes of a shift from an industrial age to an information society, or put another way, we are moving from an economy resting on the motor car to an economy resting on the computer. And, trend within trend, we are moving from the hardware revolution of computers to the software age of them.

So what else is new? "Megatrends" seems megastupid, nothing you didn't know. Actually, the biggest complaint people pay me is when they say, "But I sort of knew all that." Naishitt counters, "Yes, the academics think it's too simple. I did get a note from Professor Daniel Bell at Harvard, though he may have just been acknowledging my stated debt to him in the front of the book. The New York Times review was very unhappy with my cheerfulness."

This cheerfulness about the fu-

ture, not gloom and doom, is one of Naishitt's distinguishing characteristics. Technology isn't going to kill us, he says. In fact, technology will make us free, make us re-examine the arts, the age-old questions. The future is going to be more exciting than ever, for "human beings always provide counter-balance to technology, in spite of themselves."

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